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IMPLEMENTATION OF THE INTERNATIONAL COVENANT ON ECONOMIC, SOCIAL AND CULTURAL RIGHTS

Second periodic reports submitted by States parties under articles 16 and 17 of the Covenant

Addendum

PANAMA */, **/

[14 July 1999]

The initial reports concerning rights covered by articles 6 to 9 (E/1984/6/Add.19), 10 to 12 (E/1980/6/Add.20 and E/1980/6/Add.23) and 13 to 15 of the Covenant (E/1988/5/Add.9) and the second periodic report concerning articles 10 to 12 (E/1986/4/Add.22) submitted by the Government of Panama were considered by the Expert Working Group of the Economic and Social Council in 1982 (see E/1982/WG.1/SR.25) and by the Committee on Economic Social and Cultural Rights at its sixth session in 1991 (see E/C.12/1991/SR.3, 5 and 8).

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*/ The annexes to the present report may be consulted at the Office of the United Nations High Commissioner for Human Rights.

**/ The information submitted in accordance with the consolidated guidelines concerning the initial part of reports of State parties is contained in the core document (HRI/CORE/1/Add.14/Rev.1).

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Introduction

1. Panama is a party to the following international instruments:

- ILO Convention No. 122 concerning Employment Policy, 1964; instrument of ratification deposited on 19 June 1970;

- ILO Convention No. 111 concerning Discrimination in Respect of Employment and Occupation, 1958; instrument of ratification deposited on 16 May 1966;

- International Convention on the Elimination of All Forms of Racial Discrimination; instrument of ratification deposited on 16 August 1967;

- Convention on the Elimination of All Forms of Discrimination against Women; instrument of ratification deposited on 29 October 1981.

2. The strategy formulated by the Government may be regarded as having two dimensions. Firstly, the social area (health, education, social security, employment, housing and the environment) receive primary attention. Secondly, the Government is carrying out an economic policy to achieve stabilization and structural change; it includes the determination of measures relating to spending and the public administration, the external debt, foreign trade, agriculture, the use of the returned areas, and competitiveness in production and business. (See annex I: Panama in figures.)

Article 6

3. Information supplied by the Employment Research Department shows developments over the period 1987-1996: according to the official figures of the Household Survey, the highest unemployment rates occurred between 1988 and 1991, a period of political crisis in Panama, when many businesses cut back their staff and others closed down.

4. Nevertheless, 1992 saw the start of a decline which has remained more or less constant, especially from 1994, as the State ceased to absorb labour.

5. It should be noted that the economically active population (EAP) increased significantly in 1989, by 4.8 per cent over the 1988 figure, and is continuing to show sustained growth as a result of the population increase, which must be kept in mind when referring to unemployment, for the EAP is growing every year. Most members of the EAP are products of the country's schools, and the EAP is growing faster than business activity or the economy.

6. In many cases the profile of the personnel required by enterprises is not matched by the available manpower, this factor also affects the unemployment rate.

7. The main provisions concerning employment are found in articles 21-24 of the Labour Code, on the placement of workers and the Employment Service.

8. One relevant point is that article 27 of the Labour Code states that "employers and workers shall be permitted to conclude labour contracts without the intervention of the Employment Service".

9. It is the general practice to make the persons concerned aware of the vacancies and their conditions registered with the Employment Service, and a vacancy may then be taken up or declined.

10. According to information supplied by the Education Ministry's National Office of Secondary, Vocational and Technical Education, there are four study areas: Commerce, Industry, Farming, and Domestic Science.

11. The following courses are offered in Commerce:

- Baccalaureate in commerce, with stenography as special subject (Plan A);
- Baccalaureate in commerce, with accountancy as special subject (Plan B);
- Baccalaureate in commerce, with accountancy and advertising as special subjects (Plan BP);
- Baccalaureate in commerce, with accountancy and stenography as special subjects (Plan C);
- Baccalaureate in commerce, with bilingual accountancy as special subject (Plan DC);
- Baccalaureate in commerce, with bilingual accountancy as special subject (Plan DS);
- Ports Service;
- Ports services administration;
- Computing;
- Tourism and hotel industry management.

The recently created baccalaureate courses are a response to the country's needs and demands, but they have not been fully introduced in the public schools. This area of education called for the attention of private schools, which are now offering these new courses. In order to be admitted to one of the courses a student must have successfully completed his basic general education. The traditional commercial baccalaureate courses are offered nation-wide, and their graduates demonstrate in their working careers the high standard of their training.

12. Admittance to an Industry course requires a certificate of completion of the first secondary cycle. On completion of the second cycle (taking three years) graduates obtain an industrial qualification in one of the following special subjects: graphic arts, automechanical and diesel, construction, carpentry, electrics, sheet-metal working, welding, industrial mechanics, precision mechanics, and air conditioning. This training is offered in a number of schools in the provinces of Panamá, Veraguas, Colón, Los Santos, and Coclé, although not all of the special subjects are taught. There is also a need to increase the supply and improve the quality of machinery and tools in order to ensure the full and coordinated study of theory and practice.

13. A three-year course is offered in Farming, corresponding to the second cycle, in the provinces of Panamá, Veraguas and Chiriquí. Graduates are awarded the Farming baccalaureate and are ready to continue their studies at a higher level or to enter the labour market. The schools enjoy some

institutional support and have some self-production capacity, but greater attention must be given to their facilities, the repair of equipment and the supply of inputs.

14. Domestic Science offers training for the corresponding qualification, with special subjects such as dress-designing and dressmaking, dietetics, institutional management, and household management, notably in the province of Panamá and specifically at the Isabel Herrera de Obaldía vocational school. These special subjects need upgrading by the provision of well-equipped workshops and opportunities for practical experience within the timetable.

15. According to information supplied by the Education Ministry's National Office of Vocational and Further Training, the following are the obstacles to the achievement of the objectives of productive and freely chosen work and the measures for overcoming these obstacles:

Commerce

Obstacles encountered by job applicants:

- Inability to conduct personal interviews owing to a lack of the vocabulary to express their aspirations and their wish to join an enterprise;
- Poor drafting skills and handwriting;
- Little aptitude for self-expression;
- Poor personal presentation (dress, gold teeth, long hair, jewellery, etc.);
- Poor keyboard skills, not up to the enterprise's requirements.

Measures to overcome the obstacles:

- Seminars coordinated and supervised by the Office of Further Training;
- Training days coordinated by the Ministry of Labour's Employment Department;
- Training agreements with the National Vocational Training Institute (INAFORP), the Higher Council for Business Administration (COSPAE) and the Panamanian Business Association (APEDE) and banking institutions, which are helping to make good all the shortcomings in Commerce.

Industry

Obstacles encountered:

- Applicants are unaware of the obstacles because they have no practical experience of doing the job;
- Poor handling and use of the new-technology tools and equipment;

- The equipment and tools in the Industry schools do not keep pace with the scientific and technological progress of the hiring enterprises;

- Lack of confidence in doing the job.

Measures to overcome the obstacles:

- Training for teachers in refrigeration, welding, panel-beating, mechanics, and environmental protection, and provision of laboratories and a test bench for refrigeration;

- Seminar with INAFORP;

- Agreement with Swiss institutions in Panama.

Farming

The training is designed to produce graduates who can do work such as the raising and fattening of livestock or the cultivation of plots, who can set themselves up as independent producers not relying on public or private bodies, and who are capable of self-management. Training is offered for three possibilities: continuation of studies; work in an enterprise; or establishment as an independent producer.

Obstacles encountered:

- Lack of job opportunities for all owing to insufficient number of enterprises for placement of all the applicants;

- The students lack, for both practical and theoretical work, high-level inputs which would teach them about the latest techniques used in the labour market;

- Lack of guidance from the Ministry of Education.

Measures to overcome the obstacles:

- The review of courses and curricula has produced unified criteria;

- The Human Resources Development Institute (IFARHU) awards study grants to outstanding students;

- Coordinated seminars are held with the Office of Further Training.

Domestic Science

Obstacles encountered:

- This qualification is rejected in the labour market because it is thought to be centered on the home;

- The teaching equipment and resources for this training do not match those used in the labour market;

- The courses and curricula have not been adapted to deliver the kind of training needed for entry into the labour market.

Measures to overcome the obstacles:

- The system is changing and is being improved by the introduction of baccalaureates;

- Teachers are being trained in teaching methods and skills;

- The University of Panama is helping with the establishment of the baccalaureate profile;

- Studies have been made of the relationship of graduates to the labour market in order to formulate new training proposals and match them to the realities of employment.

16. Panamanian legislation contains no exclusions or restrictions, for article 19 of the Constitution states:

> "There shall be no public or private exemptions or privileges or any discrimination by reason of race, birth, social class, sex, religion or political ideology".

There can therefore be no obstacle to equality of treatment in employment or occupation.

17. In Panama employment is a personal right and duty, and the State is therefore obliged to establish economic policies to promote full employment. This principle is stated in article 60 of the Constitution.

Article 7

18. Panama is a party to the following international instruments:

- ILO Convention No. 131 concerning Minimum Wage Fixing, 1970; not ratified;

- ILO Convention No. 100 concerning Equal Remuneration, 1951; instrument of ratification deposited on 3 June 1958;

- ILO Convention No. 14 concerning Weekly Rest (Industry), 1921; not ratified;

- ILO Convention No. 106 concerning Weekly Rest (Commerce and Offices), 1957; not ratified;

- ILO Convention No. 132 concerning Annual Holidays with Pay (Revised), 1970; not ratified;

- ILO Convention No. 81 concerning Labour Inspection (Industry and Commerce), 1947; instrument of ratification deposited on 3 June 1958;

- ILO Convention No. 129 concerning Labour Inspection (Agriculture), 1969; not ratified;

- ILO Convention No. 155 concerning Occupational Safety and Health, 1981; not ratified.

19. The two main methods for the establishment of wage levels are the fixing of minimum legal wages and collective bargaining.

20. The minimum wage is fixed by the Executive on the recommendation of the National Minimum Wage Commission. This arrangement is established in article 174 of the Labour Code:

> "The minimum wage shall be fixed periodically, and at least every two years, in the light of the recommendation of the National Minimum Wage Commission and by decree of the Executive Organ".

21. The Commission must take into account the conditions in each region and each economic activity; this means that the minimum wage covers all workers. Chapter 3, article 61, of the Constitution states:

> "Every worker in the service of the State or of public or private enterprises or of private individuals shall be guaranteed a minimum wage or salary. Employees of enterprises specified by law shall participate in the profits thereof, in accordance with the country's economic conditions".

And article 62 states:

> "The law shall establish the method for periodic adjustment of the minimum wage or salary in order to cover the minimum needs of the worker's family and improve its standard of living, in accordance with the particular conditions in each region and each economic activity; it may also determine a method of fixing minimum wages or salaries by occupation or trade.
>
> It shall be compulsory for the minimum wage for a working day to be guaranteed in the case of piece-work or work by the job.
>
> The minimum wage or salary shall not be subject to attachment, save in respect of maintenance obligations, as stipulated by law. Similarly, a worker's tools shall not be subject to attachment".

22. Minimum wages have the force of law, and their application is the responsibility of the Ministry of Labour. If a worker is incorrectly paid, he may take legal action to obtain the corresponding adjustment, which may be retroactive.

23. In Panama the increase in the price index is below 1.5 per cent and inflation is virtually non-existent, so that the minimum wage does not lose its value, as occurs in other countries of the region. The technical study for the review of minimum wages must take into consideration economic and social factors such as GDP, investment, the basic basket of foodstuffs, poverty, the price index, real national wages, the financial capacity of enterprises by economic activity, and productivity. As can be seen from the annexed documents, both the Constitution and the Labour Code establish the parameters to be considered. (See annex I.)

24. The established wage-fixing mechanism operates as follows: a National Commission made up of representatives of workers, employers and Government is appointed. A Technical Committee consisting

of civil servants from various government institutions is also set up; it has the responsibility of preparing the technical study. Employers and workers may designate economists or other technical experts to participate in this Committee's work.

25. Following the presentation of the technical study the National Commission must make recommendations on proposed new minimum wages to the Executive.

26. If there is no agreement on these recommendations, the Executive has the option of fixing the new levels by decree.

27. The following table shows the evolution of minimum wages from their initial fixing.

Average incomes by sex, 1991-1995

Year	Men	Women
1991	338.5	294.6
1992	346.9	281.7
1993	378.8	301.8
1994	370.0	303.0
1995	382.0	312.0

Source: International Labour Organization.

28. The National Labour Inspectorate is the body responsible for monitoring conditions of work, and one of its main functions is to verify, by means of inspection visits to enterprises, that the corresponding minimum wages are being paid. In addition, workers and businessmen may apply to the Inspectorate's offices or to the Wages Department in order to clear up any doubts in this connection.

29. In addition to article 19 of the Constitution, already cited in paragraph 16 above, article 63 states:

> "An equal wage or salary shall always be paid for equal work under identical conditions, regardless of the person who performs it and without distinction as to sex, nationality, age, race, social class or political or religious ideas".

30. Furthermore, the Labour Code does not mention any difference in remuneration by reason of sex. However, it must be pointed out that the Household Survey carried out by the Office of the Controller-General shows that men have greater access to jobs: 88.9 per cent of the EAP, as against 79.9 per cent for women.

31. Twenty per cent of women of working age are without jobs, while the figure is 11.3 per cent for men. The average income of men is 18 per cent higher than that of women. (See annex II.) In an effort to eliminate this discrimination the Government is taking a series of measures to secure women's participation in the country's economic, political and social life on the basis of equality of rights and opportunities for women and men. The application of the principle of equal pay is of course envisaged in this context.

32. The action taken includes the creation of the National Women's Council, by Decree No. 70 of 27 July 1995, as an advisory and consultative body at the highest level having the general funct[illegible]

recommending to the Government specific policies and measures for women's advancement and development.

33. In addition, article 2 of Decree No. 77 of 30 August 1995 established the National Women's Office in the Ministry of Labour. The National Plan for Women and Development 1996-2000 forms part of the framework for the policies and activities of the National Women's Council and the National Women's Office, as well as of all the institutions of the public sector and organizations of civil society. This Plan resulted from the Fourth World Conference on Women, which was itself inspired by the Convention on the Elimination of All Forms of Discrimination against Women. Where legal and social equality are concerned, the Plan addresses measures to guarantee the full enjoyment of the rights established in the Constitution and laws, with a view to eliminating all vestiges of discrimination and inequality.

34. In the case of economic development, production and labour, the Plan contains measures to promote women's economic independence under the specific objective for labour, formulating a strategy for jobs creation on an equal footing between men and women, and asserting the principle of equal pay for equal work. There is also an important provision on the design and introduction of a system of supervision to boost the role of labour inspectors in ensuring compliance with the wage rules, with special emphasis on the situation of women.

35. In response to the new challenges of today's Panama, which require the State to invest the social sector with sufficient institutional capacity to meet the needs of the most vulnerable and marginalized groups of the population, the Government has approved in Cabinet Council the creation of the Ministry of Youth, Women, Children and the Family.

36. The various social indicators on these population groups, which reflect situations of unemployment, social disintegration, gender discrimination and subordination, family violence and break-up, and lack of effective protection for large groups of children, ought to go into reverse trend as the objectives underlying the creation of this new Ministry are achieved.

37. To this end the new Ministry, in addition to strengthening the measures to combat poverty, will facilitate the fulfilment of the following commitments:

- To reorganize and make effective use of the human and institutional resources, which do not match up to the new national realities;

- To expand and strengthen the cooperation between the Government and civil society in the field of social development and invest it with a truly strategic influence;

- To equip the country's most vulnerable groups and regions with an adequate framework for access to the resources accruing from privatization, in order to satisfy their needs and promote their development;

- To facilitate the completion of the process of the reform of the State in the other social ministries;

- To furnish a solid and durable basis for the ongoing economic reform and the human capital necessary for the active backing of all those groups in the country which, as a result of the

support given to convert them into protagonists of their own human development, will be able to exercise fully their right to share in the fruits of progress together with all their fellow citizens.

38. Article 106, paragraph 6, of the Constitution establishes the duty of the State to regulate and supervise workplace health and safety requirements by establishing a national policy on industrial and occupational medicine and hygiene.

39. In development of this article 106, article 282 of the Labour Code establishes the obligation of employers to support and apply all the measures providing effective protection for the lives and health of workers. Employers must thus guarantee their workers' safety and protect their health. This means that additional facilities must provided in the workplace, together with suitable and good-quality tools and equipment, in order to reduce to a minimum or eliminate occupational hazards.

40. These safety and health regulations must be applied in accordance with the instructions of the Ministry of Labour or the Social Security Fund or of any other body having competence or specialized functions in this area.

41. It is the responsibility of the labour, health and police authorities to ensure compliance with every one of these measures. However, the reality is that most of the measures described are not applied for various reasons, but especially because of the scant action taken by the authorities to prevent in some cases and to punish in others.

42. The establishment of minimum measures for protection of workers' health and safety in order to avoid, reduce and eliminate work hazards implies responsibilities for both employers and workers. The employer is placed under an obligation to inform his workers about the dangers involved in the use of the machinery and to provide the means of its safe operation, while the worker must use the protective devices as instructed.

43. Article 283 of the Labour Code provides that an employer, in order to provide adequate protection of his workers' health, must take a number of minimum measures, some of them closely related to the ones described in article 128 of the Code itself, which must be addressed in the internal operating rules and supervised by a works committee made up of workers and representatives of the employer.

44. Book I, Title I, of the Labour Code regulates all matters connected with rest, free time, reasonable limitation of working hours, regular paid leave, and payment for public holidays.

45. The Code regulates rest in Chapter IV of Title I, designating it compulsory and subdividing it into rest between working days, weekly rest, and rest on public holidays and days of national mourning. This section also regulates all matters connected with leave. The reasonable limitation of working hours is covered in Chapter III of Title I under the heading "Working hours" (arts. 30-38): workers have a constitutional (art. 66 of the Constitution) and legal right to annual paid leave, described as annual vacation. According to article 54 of the Labour Code, this entitlement amounts to one month (30 days) of vacation for every 11 months worked. Vacations must be uninterrupted.

46. If a worker is hospitalized owing to illness or accident, the time spent in hospital or convalescing or any period of incapacity to work is not counted as vacation, but the worker must inform his employer

of the hospitalization within five days. What is not clear is whether the rule refers only to occupational diseases and accidents or to illness and accidents in general.

47. The last paragraph of article 66 of the Constitution also refers to the right of all workers to weekly rest and paid vacation. The period of weekly paid rest is established in the light of the country's economic and social situation and to the workers' benefit. Rest is a right accorded to workers so that they may recover their strength.

48. Articles 39 and 40 of the Labour Code take up this principle, establishing it as an obligation of employers and a right of workers.

49. Workers are entitled to rest between the half-days into which a working day is divided of at least half an hour during a regular day. If a worker works two consecutive days he is entitled to a minimum of 12 uninterrupted hours of rest.

50. Workers are also entitled to a weekly rest day without pay, although the Constitution leaves this question open. If a worker works on his rest day he receives a pay supplement and is also entitled to an alternative day off.

51. Article 66 of the Constitution deals with the limitation of working hours, establishing an upper limit and classifying work as day, night, or mixed. By Act 6a of 1914 Panama adopted a maximum working day of eight hours.

52. This constitutional precept is developed in Book I, Title I, Chapter III of the Labour Code (arts. 30-38), which starts by stating that the working day shall be divided into periods, one coinciding with the daylight hours, i.e. from 6 a.m. to 6 p.m., and the other with the hours of darkness from 6 p.m. to 6 a.m. The Code defines a working day as all the time which a worker may not use freely because he is at his employer's disposition (art. 30).

53. It is important to point out here that article 30 of the Code provides that if a working day includes more than three hours during the night period it shall be regarded as night work. And a mixed day is one including hours from different periods but not more than three hours from the night period.

54. With regard to the number of hours in a normal working day, the Code states that day work shall amount to eight hours a day and 48 hours a week, and night work to seven hours and 42 hours respectively; the standard for mixed work is seven and a half hours and 45 hours (art. 31).

55. However, the Code is clear to the effect that the seven hours of night work and the seven and a half hours of a mixed day shall be remunerated as for eight hours worked during the daylight period.

56. There is a number of factors and problems affecting the degree of implementation of these rights. In some instances of internal economic crisis, or when the circumstances described in article 35 of the Code are present, workers may be called upon to work overtime to help an enterprise to recover:

"Article 35: workers shall not be obliged to work extra hours or days except in the following cases:

(1) When an accident or an imminent danger constitutes a risk to human life, the survival of the enterprise or workplace, or a contracted piece of work, the working hours may be extended up to the time strictly necessary for correcting, preventing or combatting the problem; and

(2) When a collective agreement provides that all or some of the workers must provide their services, within the legal limits, on extra days, provided that the workers in question have undertaken this obligation in individual contracts;

Excepted from the scope of this article are normal days worked by a worker on a Sunday, public holiday or day of national mourning when he has been specifically hired to work on such days or works on them by reason of shift-work in one of the enterprises referred to in article 42, always subject to payment of the supplementary amounts provided for in this Code;

In the case of farms, small enterprises and industrial enterprises engaging exclusively in export business, workers shall work extra hours or days when the nature of the activity so requires and only during the period so required. The work done in such cases shall not exceed the limits set by law".

57. Under Panama's legislation no category of worker is excluded from the exercise of these rights, but in practice workers holding posts of responsibility may find their vacation entitlements affected because their employer, for compelling business reasons, cannot let them take their vacation at the proper time. And where their rest time is concerned, such workers normally work longer hours without such time being remunerated as overtime.

Article 8

58. Panama is a party to the following international instruments:

- The International Covenant on Civil and Political Rights; instrument of ratification deposited on 8 March 1997;

- ILO Convention No. 87 concerning Freedom of Association and Protection of the Right to Organize, 1948; instrument of ratification deposited on 3 June 1958;

- ILO Convention No. 98 concerning the Application of the Principles of the Right to Organize and to Bargain Collectively, 1949; instrument of ratification deposited on 16 May 1966;

- ILO Convention No. 151 concerning Conditions of Employment in the Public Service, 1978; not ratified.

59. The substantive and formal conditions which must be met to the satisfaction of the Ministry of Labour in order to form a trade union or to join a trade union of one's choice are regulated in Book III, Title I, of the Labour Code under the heading "Freedom of association".

60. Article 352 of the Labour Code states:

> "The registration shall be accepted or rejected within a maximum period 15 calendar days, reckoned from the day on which the Ministry of Labour receives the application, which must meet the following conditions:
>
> (1) It must be signed by the chairman or general secretary of the trade union being founded or of the federation, confederation or central congress concerned;
>
> (2) It must be forwarded directly to the General Directorate of Labour or through the labour authorities or the highest local political authority;
>
> (3) It must be accompanied by a certified copy of the constituent instrument, the approved statutes, and the record of the meeting or meetings at which it was approved.

61. The constituent instrument must be signed by the founding members of the trade union or by persons appointed for that purpose in cases where any of the founding members do not know how to sign or cannot sign, and shall mention the kind of trade union, its official address, the number of members and the names, surnames and identity card numbers of the members of the executive committee.

62. Within the period of 15 days referred to in this provision the Ministry of Labour must check the identity card numbers mentioned in the constituent instrument of at least the minimum number of members required under article 344.

63. In the case of a federation, confederation or central congress, the constituent instrument must be signed by the representatives of the founding organizations and must mention its address and the names and addresses of all the founding organizations, and the names, surnames and identity card numbers of the members of the executive committee.

64. These documents are to be submitted in triplicate. One copy will be returned to the applicants with acknowledgement of the date and time of receipt. Another copy will be kept at the registration office and the third will be used for any further formalities.

65. There are special legal provisions on the formation of trade unions by specific categories of worker. This applies to public-sector workers under, for example: the legislation governing the worker-employer relationship at the ports of Balboa and Cristóbal (Act 39 of 27 September 1979 for Balboa; Act 40 of 28 September 1979 for Cristóbal); workers or public servants employed by Panama's railways (Act 38 of 27 September 1979); and public servants of the National Telecommunications Institute and the Water Resources Institute (Act 8a of 1975).

66. The legislation does not allow other public servants to form trade unions since they are not subject to the provisions of the Labour Code, article 2 of which reads:

> "The provisions of this Code are a matter of public order and shall be binding on all natural and juridical persons that exist or will be established on Panamanian territory.
>
> Public servants shall be governed by the civil service rules, except in cases in which any provision of this Code is expressly stated to be applicable to them".

67. There are no restrictions on the right of workers to form or join trade unions. Article 334 of the Code states that the formation of trade unions is in the public interest, being an effective means of contributing to the economic and social support and development of the country, the culture of the people, and Panamanian democracy.

68. However, it must be pointed out that a trade union's statutes may restrict the admission of workers holding posts of responsibility or exclude them from positions in the executive committee and other representative positions (arts. 335-339 of the Labour Code).

69. Articles 334-339 of Chapter I (General provisions), Title I (Right of association) of the Code state:

"Article 334: The formation of trade unions is in the public interest, being an effective means of contributing to the economic and social support and development of the country, the culture of the people, and Panamanian democracy.

"Article 335: White-collar and blue-collar workers, professionals and employers, regardless of their trade, occupation, profession or activity, may form and join trade unions without need for authorization.

"Article 336: Self-employed workers may form and join trade unions, provided that the members do not use other workers in their activity.

"Article 337: Persons who have reached their fourteenth birthday may join trade unions but may not hold office in the executive committee. However, a person who has reached his eighteenth birthday may act as a trade union representative.

"Article 338: Membership of more than one trade union of the same type covering the same activity is prohibited. If a worker acts in breach of this article, he will be deemed to have resigned from the union which he joined first.

"Article 339: The requirements for membership stipulated in the statutes must relate solely to the worker's trade, occupation or speciality and to the kind of enterprise in which he works. However, the statutes may place membership restrictions on workers holding posts of responsibility or exclude them from the executive committee or other representative office".

70. Conditions for or restrictions on the right of trade unions to operate freely are sometimes imposed by employers who do not tolerate the existence of unions: some enterprises establish rules preventing trade union members from exercising trade union rights. Supermarket unions have been affected by this practice.

71. Free collective bargaining has been promoted by extending the scope of the legislation to direct contracts between employers and workers.

72. The membership of a trade union may consist of individuals or be based on an enterprise or industry, or represent a mixture of these options.

73. Panama accords workers the right to strike as a constitutional and legal right (art. 65 of the Constitution and Title IV (Right to strike) of Chapter I (General provisions) of the Labour Code (arts. 475-515).

"Article 475: A strike is a temporary stoppage of work in one or more enterprises, establishments or businesses agreed upon and carried out by a group of five or more workers in accordance with the provisions of this Title.

"Article 476: A strike is legal if it meets the following conditions:

(1) That the workers have exhausted the conciliation procedures described in Title III of this Book;

(2) That the workers taking part in the strike constitute a majority of the workers in the enterprise, business or establishment. If a strike is called in an enterprise having several establishments or businesses, the majority must be a majority of the enterprise's total workforce. If a strike is called in only one or some of its establishments or businesses, the majority of the workers in each such establishment or business must support the strike, unless the strikers constitute a majority of the enterprise's total workforce;

(3) That the strike is called for one of the purposes referred to in article 480;

(4) That the period of notice required under article 492 is given;

(5) That the workers comply with the provisions of articles 489 and 490;

(6) That in the case of public services the conditions stated in articles 487 and 488 are met.

It shall not be necessary for a strike first to be declared legal. Petitions for such a declaration shall be lodged in accordance with Chapter VI of this Title".

"Article 477: A strike is also legal if called by a trade union of the workers in one or more enterprises, establishments or businesses and has been approved at a general meeting by 60 per cent of the members of the trade union. If the strikers constitute a majority of the workforce of the enterprise, establishment or business, it shall suffice for the strike to be called in the manner stipulated in article 489. In such cases the strike must meet all the conditions required by article 476, except for the provision contained in paragraph 2.

The provisions of this article shall apply to strikes called by an industry trade union in several enterprises. If a strike is called in a single enterprise, business or establishment, it must meet all the conditions stipulated in article 476.

"Article 478: Once a strike of the kind described in the preceding article has been called, the strike shall protect the members of the individual or industry trade union in any enterprise in which they work and against which the petition is lodged, and it shall also protect any other worker in the

same branch in the enterprise who is involved in the dispute although not a member of the trade union.

"Article 479: For the purposes of the majority requirement referred to in article 476.2, workers who join the enterprise after the petition has been lodged, casual and temporary workers, and workers holding posts of responsibility shall not be counted.

The provision set out in this article shall not affect the right of such workers to join the strike".

"Article 480: A strike must have one of the following purposes:

(1) To obtain better working conditions from the employer;

(2) To secure the conclusion of a collective agreement;

(3) To require the fulfilment of a collective or direct agreement or of an arbitral award in enterprises, businesses or establishments in which it has been violated and, where necessary, compensation for the non-fulfilment;

(4) To obtain compliance with legal provisions which have been generally and repeatedly violated, in the whole or part of the enterprise, business or establishment in which they have been violated, and, where necessary, compensation for the violation;

(5) To support a strike called for one or more of the purposes referred to in the preceding paragraphs, in accordance with articles 483 and 484".

(It is understood that the strike has been called for the reasons set out in the petition.)

"Article 481: When several juridical persons are operating as an economic unit, for strike purposes the workers may opt for them to be regarded as a single employer if the petition has been lodged against all of them.

"Article 482: The right to strike may not be renounced. A clause in a collective agreement, individual contract or any other agreement which implies the renunciation or limitation of the right to strike shall be void.

"Article 483: A strike in solidarity is a strike designed to support a strike called by another group of workers. Strikes in solidarity produce the same effects as strikes in general and shall be subject to the same conditions, but the persons calling such a strike need not have exhausted the possibilities of conciliation.

"Article 484: A strike in solidarity may be called only by workers belonging to the same economic branch or activity or to the same occupation or trade, on a single occasion and for a maximum of two hours. In such cases the strike in solidarity may be called only in workplaces located in the same District, except when it is called against an enterprise, business or establishment".

74. Act 9 of 20 June 1994, establishing and regulating employment in the civil service, prohibits in Chapter III.17: "Carrying out or participating in strikes declared illegal, or failing to comply with the requirement to ensure minimum services during legal strikes".

Article 9

75. Panama's social security system provides the following types of benefit: medical; sickness (cash payments); maternity; old-age; incapacity to work; survivors'; and occupational accident.

76. **Medical care**. Services and benefits are provided for medical care as such, surgery, medicines, dentistry and hospital treatment (art. 39 (a) of the Act).

77. Care and treatment are provided by the Social Security Fund in its own or subcontracted institutions (art. 39).

78. *Scope of cover*: all these services without exception are available by right to all persons subject to compulsory insurance (a third of the country's total workforce) and to persons covered by the voluntary scheme, as well as to their dependants: wives or female partners, and husbands who are incapable of working; children up to the age of 18 or up to 25 in the case of students or children who are incapable of working; the mother of the insured person if she is dependent on him; and the father if he is incapable of working or aged over 60 (art. 41 of the Act).

79. *Nature and amount of the benefits*: all insured persons are entitled to all the medical services provided by the Social Security Fund at no direct cost from the moment of their recruitment by an employer subject to the compulsory social security scheme or affiliated to the voluntary scheme.

80. *Method of financing*: employers contribute the equivalent of eight per cent of the wages paid to their employees to the medical and social assistance services (art. 32). The same percentage of taxable wages is contributed under the voluntary scheme to the sickness and maternity programme.

81. *Cash benefits in cases of common illnesses*: if his illness causes incapacity to work, a worker is entitled to a sickness benefit, provided that he has made at least six monthly contributions during the nine calendar months immediately preceding his incapacity to work (art. 42.C).

82. *Scope of the cover*: only the insured person (not his beneficiaries) is entitled to a cash benefit in cases of common illnesses.

83. *Nature and amount of the benefits*: the daily sickness benefit amounts to 70 per cent of the insured person's average daily wage during the last two months of contributions duly credited to his personal account.

84. The benefit is paid from the fourth day of the illness and for its duration; however, there is a maximum limit of 26 weeks for one and the same illness.

85. This period may be extended to one year in cases justified on medical grounds, with the assent of the Fund.

86. *Method of financing*: the equivalent of five per cent of the wages of insured persons is contributed to fund the cash benefits paid in the event of non-occupational illness or maternity (art. 32). The same percentage of taxable wages is contributed under the voluntary scheme.

87. **Maternity benefits**. Members who have paid a minimum of nine monthly contributions during the 12 months preceding the seventh month of a pregnancy receive a maternity benefit during the six weeks preceding the birth and for the following eight weeks.

88. *Scope of the cover*: insured women and female beneficiaries are entitled to the antenatal and obstetrical care required by their condition.

89. Entitlement to maternity benefits is enjoyed only by female contributors and not by the beneficiaries of male contributors.

90. *Nature and amount of the benefits*: insured women and female beneficiaries are entitled to all the medical, antenatal and obstetrical benefits.

91. The weekly maternity benefit payable to an insured woman who satisfies the requirements amounts to the average weekly wage on which contributions were based during the last nine months of contribution (art. 44).

92. **Old-age benefits**. The old-age pension is designed to replace, within certain limits, the wage or salary which an insured person ceases to receive on retirement from work.

93. *Scope of the cover*: benefits are payable to persons covered by the compulsory or voluntary scheme who satisfy the following requirements:

(a) They have reached the age of 57 for women or 62 for men; and

(b) They have made at least 180 monthly contributions (art. 50).

94. *Nature and amount of the benefits*: the amount of the monthly pension is calculated as follows:

(a) 60 per cent of the basic monthly wage;

(b) 1.25 per cent of the basic monthly wage for every complete 12 months of contributions made by the insured person in excess of the 180 months of contributions required for entitlement to the old-age pension;

(c) An insured person who meets the age and contributions requirements for entitlement to a pension but continues to work without drawing the pension will receive an additional two per cent of his basic wage for every 12 months of contributions paid after the normal retirement age.

95. Pensioners receive, in addition to their pension, a family benefit equal to:

(a) 20 balboas if a male pensioner has a wife or if the husband of a female pensioner is incapable of working. This benefit is also payable to a male pensioner whose partner falls within the scope of article 56.A of the decree-law of 1954.

(b) 10 balboas for every child aged under 14 or under 18 if the child is a student or for a child of any age if the child is incapable of working and economically dependent on the pensioner.

96. Under no circumstances may the amount of this family benefit exceed 100 balboas. Old-age pensions are paid for life (art. 53.A and 53.B).

97. *Method of financing*: the incapacity, old-age and death programme providing the old-age benefits is financed by contributions of the equivalent of 9.5 per cent of wages, of which the employer pays 2.75 per cent and the employee 6.75 per cent. The State also contributes an amount of not less than 20.5 million balboas to this programme and a tax of 18 per cent under the three headings of the thirteenth month.

98. **Incapacity benefits**. For the purposes of these insurance benefits a person is regarded as incapable of working if, as a result of an illness or a physical or mental condition, he is unable to earn by means of work commensurate with his strength, abilities and vocational training remuneration equivalent to at least one third of the remuneration which he usually earned before suffering the incapacity or the remuneration usually received in the same region by a healthy worker of the same sex and with similar abilities and training (art. 45).

99. *Scope of the benefits*: persons covered by the compulsory or voluntary scheme who meet the following conditions are entitled to an incapacity pension:

(a) They have been declared incapable of working by the Benefits Commission of the Institution on the basis of the report of the Medical Assessment Committee and any other examinations and tests deemed necessary;

(b) At the onset of their incapacity they have paid a minimum of 36 monthly contributions; and

(c) They have a contributions-density record of at least 0.5 for the three calendar years preceding the onset of their incapacity or during the period of their membership if their admission to the Fund occurred during those three calendar years.

100. If the insured has made a minimum of 180 contributions at the time of the onset of the incapacity, the requirement of a contributions-density record of 0.5 is waived (art. 46).

101. Persons receiving an incapacity benefit also receive the family benefit described in paragraph 95 of this report.

102. *Method of financing*: the incapacity, old-age and death programme providing the incapacity benefits is funded in the manner described in paragraph 97.

103. **Survivors' benefits**. If an insured person dies from non-occupational causes, survivors' pensions are awarded in the following cases:

(a) If at the time of his death the insured person meets the time and contributions-density conditions for entitlement to an incapacity pension;

(b) If at the time of his death the insured person would have been entitled to an old-age pension if on that date he had reached the minimum age for receipt of an old-age pension.

104. Survivors' benefits are also awarded on the death from non-occupational causes of a person receiving an incapacity pension or of an old-age pensioner (arts. 55 and 56).

105. *Nature and amount of the benefits*: the survivors' old-age benefit is equivalent to 50 per cent of the old-age or incapacity pension received by the insured person or of the one he would have received on the date of his death, except for any family benefits. It is paid for a period of five years starting on the date of the insured person's death; but if by the expiry of that period a widow has reached the normal retirement age or if she is maintaining children of the insured person who are entitled to an orphan's allowance, her widow's pension will continue to be paid, for life in the first two cases or until the last of the children ceases to receive an orphan's benefit in the last case.

106. A widow's pension ceases if she marries or enters into a verified common-law marriage. In the first of these cases, the Social Security Fund pays the widow a sum equivalent to up to one year's pension or to the remaining period of her pension if it is less than 12 months, after which all her rights are extinguished.

107. If when the last of the children ceases to receive his orphan's allowance the widow has reached the normal retirement age, her pension is paid for life.

108. Each of the children of an insured person or deceased pensioner is entitled to an orphan's allowance until the of 14 or for the duration of the incapacity in the case of a child incapable of working. If the child is a student in a public school or a school recognized by the State, the allowance continues until age 18.

109. The allowance of each orphan is equal to 20 per cent of the incapacity or old-age pension, except for any family benefits, received by the pensioner or of the pension to which he would have been entitled on the date of his death.

110. If a beneficiary has lost both his parents, his orphan's allowance is increased to 50 per cent of the amount of the pension of the insured person used for the calculation of survivors' benefits.

111. In the absence of a widow or orphan with entitlement to benefit, the pension is paid to the mother of the insured person or deceased pensioner who was maintained by him, or in the absence of a mother to a father who is incapable of working or is at least 60 years old and was likewise maintained.

112. In the absence of a widow, orphan or parent with entitlement to benefit, the pension is paid to the siblings of the insured person or deceased pensioner, provided that they are under the age of 14 and were maintained by him. The pension for a mother or an incapacitated father is equal to 30 per cent and for siblings to 20 per cent of the amount received by the insured person or deceased pensioner or of the amount to which he would have been entitled.

113. It is assumed that parents or siblings lived at the expense of the insured person or deceased pensioner if they lived in the same dwelling as him and lacked, in whole or in part, their own means of support.

114. The total amount of the survivors' benefits awarded to the relatives of one person may not exceed the incapacity or old-age pension in question; if it does, each benefit is reduced proportionately; but if the group of beneficiaries is reduced by the subsequent death or extinction of the entitlement of any of its members, the amount of benefit released by this event accrues proportionately to the benefits of the remaining members, although the benefits increased in this way may not exceed the percentages fixed for each recipient (arts. 56.B, 56.C, 56.E and 56.F).

115. *Method of financing*: the incapacity, old-age and death programme providing these survivors' benefits is financed in the manner described in paragraph 97.

116. **Occupational accident benefits**. Occupational hazards are the accidents and diseases to which a worker is exposed by reason of his work on behalf of an employer.

117. For the purposes of this insurance, an occupational accident is any physical injury or functional disturbance suffered by a worker either in the execution, or on the occasion, or as a result of his work produced by the sudden or violent effect of an external cause or of the effort expended, whether the worker is in public or private employment.

118. This definition also covers any accident suffered by a worker:

(a) When carrying out his employer's orders or when performing a service on his employer's authority, even away from the workplace and outside working hours;

(b) During a work stoppage and before and after such a stoppage, if the worker, by reason of his work obligations, is in the workplace or on the premises of the enterprise, business or establishment;

(c) By an act of a third party or by an intentional act of the employer or a fellow worker during the performance of the work;

(d) When he is travelling to or from his home and workplace (arts. 2 and 3 of occupational accidents legislation).

119. *Scope of the benefits*: insurance cover with the Social Security Fund is compulsory for:

(a) Any worker in the service of the State, a municipality, an autonomous or semi-autonomous body, or a decentralized public organization, wherever he provides his services;

(b) Any employee of a natural or juridical person operating in the national territory regardless of the number of his employees (art. 7).

120. *Nature of the benefits*:

(a) Temporary incapacity benefit. When as a result of an occupational accident or disease a worker is temporarily unfit for work and for this reason ceases to receive his pay, provided that he is not declared permanently incapacitated he is entitled to a daily cash benefit from the first day of the incapacity, for the first two months in an amount equal to his wage, and from the third month equal to 60 per cent thereof until in the opinion of the Fund's doctors he is fit to return to work or his medical treatment is stated to have ceased;

(b) Permanent partial and permanent total incapacity. When a person is declared permanently incapacitated and the incapacity is under 35 per cent, he is entitled to compensation equal to three years' pay in lieu of a pension. If the incapacity is over 35 per cent, he is entitled to a pension paid in monthly instalments as follows: a person with permanent total incapacity is entitled to a pension equivalent to 60 per cent of his wage; and a person with permanent partial incapacity is entitled to a pension equivalent to what he would receive for permanent total incapacity reduced in proportion to the assessed percentage of his partial incapacity (arts. 26, 27, 29 and 30).

(c) Death benefits. If an occupational accident or disease causes the death of an insured person, the following persons are entitled to pensions:

- Widows and widowers (wife or partner, widower unfit for work or aged over 60): a pension for life equal to 25 per cent of the insured person's wage. If the sole beneficiary is unfit for work, the amount is 30 per cent;

- Children: pensions until the age of 18 or for life in the event of incapacity in the following degrees: 15 per cent for one child, 25 per cent for two, 35 per cent for three, and 40 per cent for four or more;

- Mother: a pension equal to 20 per cent of the wage for 10 years, or 30 per cent if from the outset there is no child beneficiary;

- Father: a pension equal to 10 per cent of the wage for 10 years, or for life if the father is unfit for work or aged 60 or over;

- Siblings: if they were dependent on the deceased, the same pension as children until age 18;

- Other beneficiaries: a pension equal to 10 per cent of the wage for six years for ascendants and collaterals up to the third degree who were dependent on the deceased.

Note: The total amount of these survivors' benefits may not exceed 75 per cent of the deceased person's wage. If it does, the benefits are reduced proportionately (arts. 32 and 35).

121. *Method of financing*: the premiums which employers must pay in respect of the occupational accidents insurance are set in proportion to the relevant wages bill and the risks inherent in the activity of the enterprise or establishment in question.

122. For the purpose of setting these premiums enterprises are classified in risk categories I to V: ordinary, low, average, high, and maximum.

123. The amount of the premiums payable in respect of an enterprise's employees is calculated by multiplying the wages bill by the degree of risk assigned to the enterprise and by a constant factor of 0.07 (arts. 48, 49 and 51).

124. In 1996 the expenditure budget of the Social Security Fund totalled 1,025 million balboas and accounted for 21.6 per cent of the public sector expenditure budget of 4,735 million balboas.

125. The Fund's budget thus represented 16.1 per cent of the country's 1996 GDP of 6,354 million balboas. Furthermore, a comparison of the present situation with the situation of seven years ago, when the Fund's budget represented 18.1 per cent of the public sector budget and 11 per cent of GDP, shows a slight increase in step with the growth in the number of people protected by social security and the consequent increase in the commitments for the Fund.

126. It must be pointed out that 1996 saw a greater increase in the Fund's budget owing to the development of infrastructure and purchase of modern equipment as part of the modernization of institutional services, which will lead to improved efficiency and lower costs in the future; this is the reason for the reduction of 984.1 million balboas in the 1997 budget.

127. The State's plans for social security do not envisage any private semi-official arrangements.

128. However, Panama does have private health plans and supplementary retirement funds, the latter designed to boost the pensions provided by the Social Security Fund.

129. There are also private retirement plans but they are unconnected with the official plans.

130. The provisions of Act No. 10 of 16 April 1993 include incentives for the establishment of funds for retirees and pensioners and other benefits.

131. In Panama all persons, whether insured or not, are entitled to health services.

132. The Panama City area has hospitals of the Social Security Fund for the insured, Health Ministry hospitals for the uninsured, and the facilities of the Integrated Hospital for both categories. The interior of the country is fully integrated in this system, and any citizen, insured or uninsured, can visit the medical institutions of the Social Security Fund and the Health Ministry without any discrimination.

133. Women have the same entitlement as men to the medical services and benefits and in the Social Security Fund they have greater rights than men with respect to old-age pensions, for men can receive a survivor's pension only if they are incapable of working and were dependent on the deceased insured woman.

134. The Constitution establishes the Integrated Health System, and the institutional coordination agreement between the Ministry of Health and the Social Security Fund has enabled the health services to reach more than 90 per cent of the country's population.

135. In addition to the effort represented by the creation of the Integrated Health System in accordance with the Constitution, the Government is endeavouring to improve the means of land communication throughout the country so that isolated indigenous groups can have access to the existing health facilities.

136. Efforts are also being made to bring the health services to settlements and other populated areas. And programmes are being carried out to train the indigenous groups with respect to habits which may affect their health and the need for them to visit the health centres in good time. Medical tours provide vaccination and other health services in the indigenous areas.

137. The Government has increased the annual health budget. It is hoped that in a couple of years' time the present efforts will have brought the country close to total health cover.

138. The Ministry of Health is the lead institution for the country's health policies. It was created by Cabinet Decree No. 1 of 15 January 1969, and its Organic Statute was established by Decree No. 75 of 27 February 1969. The Ministry's regulations give concrete expression to the provisions on care for women; these regulations include the technical and administrative rules for the integrated health programmes for women and for the women, health and development programme.

139. Social security entitlements have not undergone any legislative changes in recent years, but the rules, procedures and administrative practices have been improved; this has boosted the quality and quantity of the services and helped to ensure that they are provided in the most appropriate manner.

140. Attention must be drawn here to the improvement of the functional coordination between the Social Security Fund and the Ministry of Health. The increased efforts to strengthen primary care have helped to bring the services closer to the users. Surgical treatment and medical appointments have been streamlined and hospital services improved. Modern ambulances equipped for top-quality pre-hospital treatment have been purchased, the health facilities have been furnished with modern equipment, and the medicines procurement system is being upgraded. Where infrastructure is concerned, the existing health facilities have been remodelled and expanded, new facilities such as local primary care units have been built, and progress has been made with two new hospitals.

141. Another major administrative improvement is the introduction of computer technology in all the services.

142. International aid for the full implementation of the precept contained in article 9 of the International Covenant on Economic, Social and Cultural Rights concerning the right of everyone to social security has been of vital importance in training and technical cooperation activities.

143. The assistance received through the following organizations has been important in this connection: Pan-American Health Organization and World Health Organization (PAHO/WHO); International Labour Organization (ILO); International Social Security Association (ISSA); Inter-American Conference on Social Security (ICSS); Ibero-American Social Security Organization (IASS); Inter-American Development Bank (IDB); International Atomic Energy Agency (IAEA); Central American Council of Social Security Institutions (COCISS), and others.

Article 10

144. Panama is a party to the following international instruments:

- International Covenant on Civil and Political Rights; instrument of ratification deposited on 8 March 1977;

- Convention on the Rights of the Child; instrument of ratification deposited on 12 December 1990;

- Convention on the Elimination of All Forms of Discrimination against Women; instrument of ratification deposited on 29 October 1981;

- ILO Convention No. 103 concerning Maternity Protection (Revised), 1952; not ratified.

145. These international instruments are currently defined as the core legislation, which performs a number of social functions and ensures the establishment and transmission of moral values.

146. Both males and females reach the age of majority at 18 years, when they acquire civil responsibility and can exercise rights and assume obligations.

147. The Family Code was approved on 27 April 1994 by Act No. 3 and entered into force on 3 January 1995. Article 1 states that family unity, the equality of rights and duties of the spouses, the equality of the children, and the protection of the rights of minors are fundamental principles for the application and interpretation of this legislation.

148. The State fully guarantees the right to found a family by means of matrimony on the basis of the free consent of the two partners.

149. The Family Code defines matrimony as a voluntary union agreed upon between a man and a woman, both having legal capacity to do so, who unite in order to make and share a life together (art. 26); if it is found that the union is not based on free will and consent, it shall be declared absolutely void for failing to satisfy one of the essential conditions for matrimony.

150. The Code establishes the institution of special matrimony, i.e. a de facto marriage consisting of the voluntary and stable union of a man and a woman exclusively with each other for a period of at least five years. In such cases it is not necessary to comply with the formalities of matrimony, provided that the conditions previously established by the Family Code are satisfied (art. 53).

151. The National Office for the Family in the Ministry of Youth, Women, Children and the Family is the executing agency for the social policies concerned with the welfare of the family and its members. Various ministries operate social policies designed to provide families with better means of solving their problems.

152. The Family Code and the Family Violence Act form part of Panama's legislation for protecting family members and securing recognition and defence of their rights.

153. The protection of maternity is legally established in the Constitution. Chapter 3, article 68, on work, states:

> "The maternity of working women shall be protected. A pregnant woman may not be dismissed from her public or private employment by reason of pregnancy for a minimum of the six weeks preceding the birth and for the next eight weeks; she shall enjoy mandatory leave paid at the same rate as her work and shall retain her job and all the rights established in her contract. When a working mother resumes her work after childbirth she may not be dismissed for a period of one year, except in the special cases stipulated by the law, which shall also regulate the special working conditions for pregnant women".

154. The Code further establishes the duty of the State to protect the maternity of working women. A pregnant woman may be dismissed from her employment only for justified reasons and with prior authorization by a court.

155. All pregnant working women enjoy mandatory leave paid at the same rate as their work for the six weeks preceding the birth and for the next eight weeks. Under no circumstances may the total duration of this leave be less than 14 weeks; even if the birth is late the woman worker is still entitled to the eight subsequent weeks as paid leave.

156. Employers have to meet the difference between the maternity grant furnished by the Social Security Fund and the pay due by law to pregnant workers.

157. Employers have a duty to meet the difference between the Fund's maternity grant and the pay due to pregnant workers under this article.

158. If the Fund is not obliged to pay a maternity grant, the obligation mentioned above will fall in full on the employer.

159. The Labour Code provides that, for the purpose of determining the starting date of the mandatory paid leave, a woman shall submit to her employer a medical certificate indicating the probable date of the delivery. All doctors in the paid service of the State or of any of its institutions must issue this certificate free of charge. If for any reason a pregnant worker provides services during the period of pre-delivery leave, her employer is obliged to pay her the corresponding wages plus an equal amount as compensation, without prejudice to any legal sanctions which may be imposed on him.

160. Panama's legislation contains constitutional rules and special laws on the protection of children, both in general and with regard to child labour.

161. Since 1995 this special legislation has included the Family Code, the provisions of which embody the principles set out in the Convention on the Rights of the Child, with a view to guaranteeing the best interests of children.

162. Book II of the Code, entitled "Concerning children", is devoted to the recognition of children as subjects of rights.

163. Book III, entitled "Concerning the participation of the State in family policy", addresses the problems of childhood and adolescence as essential priorities.

164. The Family Code thus represents a first attempt to bring together in a single document regulations concerning the family and moral behaviour, while at the same time involving the State as the entity responsible for carrying out social policies.

165. The Labour Code has the following to say on the subject of work prohibited to minors:

(a) Children aged under 14 years and children aged up to 15 years who have not completed their primary education may not work (art. 117);

(b) Children aged from 12 to 15 years may work on farms but only at light tasks and outside school hours (art. 119);

(c) Children aged under 16 years may not work more than six hours a day or 36 hours a week. Children aged under 18 years may not work more than seven hours a day or 42 hours a week. Account must be taken of the child's educational needs (art. 122);

(d) Children aged under 18 years may not perform night work between 6 p.m. and 8 a.m. or work overtime on Sundays, public holidays or days of national mourning (art. 120);

(e) The work contracts of children aged under 18 years must be concluded through a parent or legal representative. Failing that, such contracts may be concluded directly by the children concerned, subject to approval by the administrative labour authority (art. 122).

166. Under the Family Code:

(a) Children aged under 14 years may not work (art. 508);

(b) On farms, children aged between 12 and 14 years may do farming and domestic work, in accordance with the regulations governing working hours, wages, contracts and types of work set out in the Labour Code (art. 716);

(c) Children aged under 18 years are prohibited from performing tasks which, by their nature or owing to the conditions under which they are performed, constitute a risk to the life, health or morals of the worker, in particular the following (art. 510):

(1) Work in night clubs, bars, discotheques and other places where alcoholic drinks are dispensed on a retail basis;

(2) Transport of passengers or goods by road, rail, air, sea or inland waterway, and work on wharfs or piers or in warehouses, etc.;

(3) Work connected with the generation, transforming or transmission of electric power;

(4) Handling of explosive or inflammable materials;

(5) Work underground in mines, pits, tunnels or sewers;

(6) Handling of harmful or dangerous equipment or apparatus involving exposure to the effects of radiation;

(7) Work connected with games of chance and hazard, for example at race courses or in casinos, etc.;

(8) Appearances in public shows, films, theatrical performances, cinema, radio or television commercials, or in publications of any kind which undermine the dignity and morals of children, in accordance with the regulations established for the purpose of this prohibition by the National Council on the Family and Children.

167. The State of Panama protects children's rights in general through specialized institutions.

168. It may be pointed out here that the Family Code has led to a number of institutional changes, in the supervision and administration of juvenile justice, for instance, which has been transferred from the Executive to the Judiciary.

169. Since 1998 the Judiciary has been carrying out in Panama City and San Miguelito two programmes to improve the situation of children in difficult circumstances. Both warrant special attention: one is aimed at street children, and the other at employer-sponsors.

170. The centres operating the street children programme are located in the capital and San Miguelito. Following a start in 1989 they were consolidated in 1990 and operate at the work locations themselves or in the community. Or they may be linked to the programme through the local juvenile courts or local authorities; attendance at the centres is compulsory.

171. The employer-sponsor programme is designed to attend to the needs of children in difficult circumstances, especially poor children in situations of social risk, abused children, etc. It reaches out to both boys and girls aged 14 to 17, with the basic aim of incorporating or reincorporating them in the school system.

172. The programme is based on a joint agreement between the Ministry of Labour, the Chamber of Trade and the Judiciary, under which interested businessmen donate 95 tax-deductible balboas, 80 balboas of which are transferred to the selected children as a monthly grant. This Fund's administration provides insurance cover for the selected children against accidents which may occur during their working hours and for an hour before and after work. The businessman does not pay the thirteenth month taxes or social security charges and he is not obliged to continue employing the child after the age of majority.

173. Another important programme connected with child labour is the one run by Casa Esperanza, an NGO working with street children. Its activities have been expanded, and it is currently operating care programmes in Panama City and Colón, and prevention programmes in Curundú, San Miguelito and La Playita (the latter in Colón).

Article 11

174. The legal framework. A 1993 Ministry of Health document on policies, objectives, targets, themes, strategies and actions in the area of food and nutrition states that the legal framework for health policy is embodied in article 106 of the Constitution of the Republic and that the national food policy is the responsibility of the State, as stipulated in article 186 of the 1947 Health Code.

175. In 1990 the Government formulated a national health policy to provide a framework for the measures to be taken to satisfy the people's food and nutrition needs.

176. In 1992 it introduced the National Food and Nutrition Programme (PRONAN), which represented an attempt at institutional streamlining to consolidate the coordination machinery in order to strengthen, extend and improve governmental action in this area. The Programme's activities are directed in particular at vulnerable groups: children of school age, and pregnant and breastfeeding women.

177. The following papers and studies have been produced:

- "Nutritional situation in Panama", Department of Nutrition of the Ministry of Health, 1996;
- "National action plan for nutrition in Panama 1995-1999".

178. Food and nutrition measures. The Government carries out through the Ministry of Health integrated measures for the promotion and protection of the health of Panamanians. An effort is currently being made to strengthen the measures which specifically protect the people's nutritional state. They include:

(1) Promotion and protection of adequate nutrition for children of preschool and school age, adolescents, adults and pregnant women;

(2) Assessment of nutritional states;

(3) Food and nutrition education for the public;

(4) Distribution of megadoses of vitamin A to the children at greatest risk, i.e. those aged 6 to 59 months;

(5) Detection of nutritional risk and malnutrition in the various age groups. Treatment and rehabilitation;

(6) Specific measures to prevent goitre;

(7) Detection and treatment of malnutrition, obesity, and diarrhoeal and acute respiratory diseases. Supplementary food programme for the treatment of children aged six months to five years and pregnant and breastfeeding women who are already diagnosed as undernourished or at risk of malnutrition;

(8) Extension of the cover of these measures through the rural health project to the areas of the country's various health regions having a larger incidence of malnutrition: children aged under five years and pregnant women;

(9) Training of professionals in the health and other sectors in food and nutrition matters in order to encourage effective action for the benefit of the people. The Food and Nutrition Education Committee (EAN) was created for the fundamental purpose of grass-roots education and communication through trained personnel;

(10) Mother and child health measures (Mother and Child Department);

(11) Antenatal checks;

(12) Adult health measures (Department of Adult Health);

(13) Food production: the aim is to increase the food supply through a strategy of food and health education and technical advice on food production in schools and communities.

School, family, institution and community plots are established and integrated models of production and food and nutrition education are introduced;

(14) Act No. 35, establishing the "glass of milk" distribution programme (Ministry of Agricultural Development/Ministry of Education);

(15) World Food Programme.

179. These measures require interested and effective grass-roots participation in the health care of every one of the community's members and of every one of the persons working in health care.

180. Statistics. Some statistics are given below on the country's nutritional problems, by type of population (pregnant women, under-fives, school children) and by geographical area.

181. Out of the total number of women undergoing antenatal checks in 1995 (54,613), 5.5 per cent (3,001) were found to have low weight (less than 95 per cent on the Rosso-Mardones curve), with the highest figures in the San Blas, Metropolitan and San Miguelito regions. The under-recording of nutritional states was widespread.

182. Strategies are currently being carried out to assess nutritional states and note them in the daily consultation records. (See annex II, graph 1.)

183. Slight, moderate and severe malnutrition in under-fives according to the weight/age scale is found mainly in the San Blas, Darién, Bocas del Toro, Panamá Este, and Herrera regions, which are above the national average (3.6%).

184. One of the strategies for improving the recording of information on nutritional states is the provision of training for all the regional teams. A system of information and inter-programme coordination has been established with respect to mother and child care and nutritional standards. (See annex II, graphs 2 and 3.)

185. Slight malnutrition predominates nationally in the under-one and one-to-four-years age groups, with smaller numbers of children in the moderate and severe categories. (See annex II, graph 4.)

186. Malnutrition in the under-one group is higher in San Blas, Darién, Panamá Metro, San Miguelito, and Chiriquí health regions. (See annex II, graph 5.)

187. In the one-to-four group the levels are higher in San Blas, Bocas del Toro, Darién, Panamá Este, Chiriquí, and Herrera.

188. One of the strategies for increasing the Health Ministry's monitoring of growth and development is the supplementary food programme for children aged six to 59 months and pregnant women at nutritional risk. (See annex II, graph 6.)

189. With regard to the nutritional situation of children of school age, out of a total of 90,000 children surveyed under the school health programme 36 per cent (32,400) presented malnutrition and 23.1 per cent (20,790) low weight.

190. Anaemia (haemoglobin under 11g) was found in 25.2 per cent of the children surveyed. If the children were assessed for iron deficiency as measured by levels of transferrins, ferritin, and erythrocyte protoporphyrin, the figures could be twice as high. For this diagnosis of nutritional states 90,000 children were surveyed country-wide as part of the implementation of the school health programme (See annex II, graph 7.)

191. There is scant information on the nutritional situation of adults.

192. A 1992 study conducted in San Miguelito district found an obesity rate of 25 per cent.

193. The people of this district have differing levels of socio-economic development and urbanization; the high obesity rate may be connected with several factors, such as the high consumption of carbohydrates and lipids and a low rate of energy expenditure as a result of physical inactivity.

194. In 1991 a study of 1,008 persons who attended two health centres and two polyclinics in Panamá province for consultations found an obesity rate of 31.7 per cent according to the body mass index (BMI), and more than 40.5 per cent of these persons had a BMI overweight rating of 25 to 29.9. Obesity was commonest in the 30-39 age group.

195. The nutritional situation described here associated with the adult pathology may constitute a decisive risk factor in the mortality of this age group.

196. The aim for the next five-year period is to plan and carry out measures to improve the integration of the food and nutrition measures targeted on the adult population, with emphasis on information and education, prevention and detection, and the timely management of nutritional problems and the existing associated pathologies.

197. From 1993 to 1995 there was a significant increase in the cover of the administration of megadoses of vitamin A in the various age groups, especially among children aged six to 11 months, and during the puerperal period.

198. This increase has been relatively lower among children aged one to five years. The poor cover in this age group may be due to the low rates of cover of growth and development measures in some regions of the country and smaller number of checks per year of age, which limits the diagnosis rate. Another reason is the failure to record the administration of these megadoses at the time. (See annex II, graph 8.)

199. Statistics from the reports produced by the Nutrition Department of the Ministry of Health ("Nutritional state of under-fives" and "Baseline study under the rural health project"): between September 1996 and July 1997 regional and local teams assessed the nutritional state of 493 of the 769 children aged under five years living in a sample of 862 households in 19 of the 28 districts in which the project's nutrition component is being carried out. Judged by the weight/age indicator providing a global assessment of nutritional state, 257 (52%) of the children presented some degree of malnutrition. The acute-state indicator (weight/height) showed that 26 per cent of the children had some degree of malnutrition. And according to the chronic-state indicator (height/age) 61 per cent had some degree of malnutrition. The figures for moderate and severe malnutrition were 19 per cent (weight/age), seven per cent (weight/height), and 31 per cent (height/age).

200. More than 50 per cent of the indigenous children (96 out of 164) presented some degree of malnutrition, as against a rate of 40 per cent among non-indigenous children.

201. Equal numbers of boys and girls presented some degree of malnutrition according to the weight/age indicator.

202. The proportion of malnutrition according to this indicator in the 19 districts (50%) is higher than among the children who attended the health centres during the 1995 nutritional state study (31.4%).

203. The children living in the 19 districts had double the risk of some degree of malnutrition according to the weight/age indicator in comparison with the children attending the health centres.

204. One in five of the children aged under one year (18%) presented some degree of malnutrition according to the weight/age indicator. From the age of one year the proportion of malnutrition increases to 60 per cent among children of each of the following ages.

205. According to the weight/height (acute) indicator, the proportion of children aged under one affected by some degree of malnutrition is 15 per cent, rising to 30 per cent from age one. According to the height/age (chronic) indicator, the figures are 42 and 60 per cent respectively. There was no significant evidence of an association between the proportion of chronic malnutrition in children aged under one and indigenous/non-indigenous status.

206. Forty-nine per cent of children who received foods other than mother's milk in the first six months of life presented some degree of malnutrition according to the weight/age indicator.

207. The proportion of undernourished children increased in step with the delay in introducing foods other than mother's milk after the age of six months, rising to 65 per cent when this delay is longer than one year.

208. Among children aged under 24 months the breastfeeding rate was similar for undernourished and for normal children (59%).

209. Diarrhoea was commoner among children with a normal nutritional state, but the difference was not significant (18% and 13% respectively).

210. The incidence of head colds was similar among undernourished and normal children (62 per cent).

211. Changes in and repercussions on malnutrition: a population's nutritional state is a reflection of biological and social processes developed in different periods and it must therefore be studied in the light of many different factors; but poverty plays a decisive role.

212. The nutritional state of the Panamanian people has been deteriorating as a result of the socio-economic crisis affecting all the developing countries and it manifests itself with greater intensity in certain population groups, particularly in rural and indigenous areas, where geographic inaccessibility limits the action taken by various sectors.

213. The information currently available is drawn mainly from the national surveys carried out in past decades and from the height censuses conducted in the schools, supplemented by some ad hoc studies.

The deterioration in the state of the people's nutrition is clear and progressive. This fact is demonstrated by the behaviour of the socio-economic indicators, morbidity and mortality rates and the low birth-weight, unemployment and food consumption figures.

214. The Government is aware of its duty to attend to the people's demands with regard to the satisfaction of basic needs and to establish action priorities, bearing in mind that in all spheres and in all countries the needs are greater than the resources.

215. In September 1994 the Cabinet Council approved a document containing the public policies for integrated development: social development with economic efficiency.

216. The social objectives include: "A significant reduction in poverty and extreme poverty before the end of the Government's five-year term. This reduction will be reflected in an improved relative distribution of income". The document also stresses that "the country's development cannot be achieved in the present situation of decline of the human being an as agent of economic, social and moral change".

217. The following are the most important current programmes for poverty reduction:

(1) The Panama-UNICEF Plan: a technical cooperation agreement to promote measures in four areas of mother and child care: (a) primary health care; (b) education for development; (c) water supply and sanitation in critical areas; and (d) protection of children in especially difficult circumstances (street children, disabled children, social rehabilitation of juvenile offenders). This programme had a budget of six million balboas up to 1996 and its duration was five years.

(2) The RUTA social programme: a Central American programme created with the support of grants from the Japanese Government and the technical cooperation of UNDP, the World Bank, the Inter-American Development Bank (IDB), and PAHO/WHO, in order to strengthen national capacities for the formulation, execution and evaluation of projects connected with the quest for greater efficiency in the provision of social services, mainly health and education. Support is currently being furnished to the Ministries of Health and Education and to the Emergency Social Fund (FES) in an amount of about 2.5 million balboas.

(3) The Emergency Social Fund: as a body reporting to the Office of the President, FES acts as an intermediary between the project execution agencies and the financial resources available for improvement of the living conditions of the poorest people. In 1994 FES approved 505 projects with a total cost of 8.5 million balboas. In 1995 it was responsible for roughly 74.5 million balboas distributed as follows:

3.1 Ngobe-Buglé rural development project for indigenous peoples in an amount of 14 million for five years. This project concerns production activities, and it is managed by the indigenous peoples themselves and by the International Fund for Agricultural Development;

3.2 Community development project supported by IDB in an amount of 13.5 million for community works and roads in areas of difficult access;

3.3 Recently approved social investment programme costing 37.5 million, with an IDB loan, for works in the health, education and nutrition sectors and a number of production-support measures;

3.4 Micro-projects programme supported by the European Economic Community for promoting the development of informal rural micro-enterprises by establishing a revolving fund and providing technical support and training by means of demonstration farms. The programme's cost is about eight million balboas.

FES also administers: the circuits programme for community works; the works fund for Colón province, whose aim is job creation; and the school nutrition programme in areas of difficult access, supplying 11 extremely poor districts with school meals and food supplements. This latter programme is coordinated with and supported by the Ministry of Education, which administers the nutrition programmes in conjunction with the National Nutrition Organization, which supplies school meals to the rest of the country's schools.

(4) The Rural Health Programme: the purpose is to improve basic sanitation conditions through the supply of water and implementation of environmental health measures; there is also a component on improving the nutritional situation of the people living in the country's poorest districts. This Programme started up in 1995 and had cost a total of 41.7 million balboas up to 1999.

(5) The National Nutrition Action Plan 1995-1999: the Plan consists of the strategies, programmes and projects representing the Government's effort to improve the food and nutrition situation. It includes the activities of the Ministries of Health, Education, and Agricultural Development, the National Nutrition Organization, and the Office of the First Lady, and projects of NGOs such as Nutre Hogar, Fundación Pro-Niños of Darién, Caritas, etc. The Plan's most important measures include projects on the granting of land titles and technical assistance for peasant farmers, and training for the adoption of appropriate techniques for the integrated and sustained use of natural resources in food production. The food production programme is supported by the World Food Programme (WFP) and has a number of components aimed exclusively at producers in poor areas, including foodstuffs distribution. One important project of the Ministry of Agricultural Development is concerned with fish farming and the extension of poultry farming; it includes training for producers with a view to providing low-cost protein in rural areas and boosting the incomes of peasant and poor families.

(6) The Social Assistance Programme for needy population groups operated by the Ministry of Labour and Social Welfare: the Government is reaching out to the people in child guidance centres, communities, and institutions for neglected and orphaned children and for elderly persons without family support, providing shelter, food and other forms of care. It must be pointed out that these services are of limited cover. The Government also subsidizes a number of NGOs providing services for vulnerable and poor groups: for example, Nutre Hogar, which runs centres for the social reintegration and rehabilitation of children with drugs problems, and Casa Esperanza, which provides care services for street children.

(7) The Population and Development Programme: this Programme sponsored by the United Nations Population Fund is designed to provide health care for mothers and children, women

and adolescents, together with education of the general public with a view to preventing unwanted pregnancies, venereal diseases and AIDS, and improving awareness of the relationships between individuals and the environment and between individuals and the family. Other topics for this type of activity are the advancement of women and research and training in population and development. The Programme's total cost is about three million balboas and it is in its final stage. It is coordinated by the Ministry of Planning and Economic Policy through the Technical Population Committee (COTEPO) and executed mainly by the Ministries of Education, Health, and Labour and Social Welfare, the University of Panama, and NGOs such as the Family Planning Association and the Foundation for Women.

(8) Housing and social welfare projects: projects are under way for the construction of plots with services at an estimated cost of six million balboas supported by an IDB loan for building materials, rainwater works and aqueducts. FES also provides funds to meet the demand from poor people who wish to upgrade their housing.

218. It must be admitted that despite these various current programmes more flexible and efficient means must still be found for improving the delivery of a greater proportion of social investment to the poorest groups.

219. There is a clear and recognized need to modernize, restructure and strengthen those institutions which by their nature and goals are closely involved in the provision of services and promotion of measures for the most disadvantaged groups, for some of the projects suffer from fragmentation.

220. Here the programmes of the National Vocational Training Institute and the Human Resources Development Institute, for example, constitute vitally important mechanisms in the education sector for ensuring that the groups left behind by the formal education system are reached effectively.

221. There are other specific social programmes for poverty reduction, including the community development centres (CECOPADE), the local investment programmes (PROINLO), aid for micro-enterprises (MICI), etc.

222. It is also important to stress that the technical cooperation of other Governments and international organizations follows the same governmental policy of supporting poverty-reduction measures, with the joint participation of communities, NGOs and civil society in general in a pooling of efforts.

223. Poverty will be reduced if action is taken jointly with the broad participation of society in an effort to solve the current problems by altering socio-cultural attitudes such as low self-esteem, poor motivation to achieve the goals, and non-recognition of values, for such attitudes also impede the process of economic, social and technological development.

224. One indicator of the efforts which are being made to redirect social spending is the distribution of the general State budget by sector.

225. Act No. 51, by which the 1996 budget was formally adopted, shows an allocation of 44 per cent to social expenditure, which includes the operating and investment costs of education, health, employment, social security, housing and the multi-social sector (which covers FES and local and community works projects), together with the projects of the Ministry of Agricultural Development.

226. The measures to tackle the problem of providing the people with sufficient food are contained in the National Nutrition Action Plan, the central part of which envisages:

(1) Incorporation of nutritional targets in the development policies and programmes;

(2) Improvement of family food security;

(3) Protection of consumers by improving food quality and safety;

(4) Prevention of micronutrient deficiencies;

(5) Assessment, analysis and monitoring of nutritional states;

(6) Care for socially and economically disadvantaged and nutritionally vulnerable groups;

(7) Prevention and treatment of infectious diseases;

(8) Encouragement of healthy diets and lifestyles;

(9) Encouragement of breastfeeding.

227. Agricultural development designed to improve food production and distribution by introducing and using scientific and technological innovations has achieved every kind of result, from obstacles and even disasters to impressive successes.

228. In fact, the aim of Panama's agriculture has been to achieve high yields from the farmed acreage, and thus an increase in food production, by means of the advanced technology of what is known as the "Green Revolution" (machinery, improved seeds, agrochemicals).

229. The successes and inputs have been important in terms of increasing the supply of farm products; however, there have been problems or harmful consequences such as soil erosion and acidification, water pollution, disappearance of animal and plant species, climate changes, and social tensions, which are putting a powerful brake on the process.

230. The visible outcome is a large rural population living on the margins of agriculture, mainly on eroded hillsides with very little access to water, who do not produce the basic food to feed their families.

231. In order to improve this situation the Ministry of Agriculture is promoting programmes to incorporate these people in productive activities such as rice-cultivation on marshy land, sustainable farms, animal traction, organic farming, integrated pest-management, agro-forestry, etc.

232. These programmes are intended to emphasize the linkage and interaction between nature (the environment), the forms of production, and human beings, with all their experience, expectations and limitations, in the search for sustainable, harmonious and integrated development.

233. Action taken to disseminate knowledge: by resolution No. 9 of 3 August 1983 the Ministry of Health created the National Food and Nutrition Education Commission, a multisectoral body which has the support of a technical executive secretariat for the coordination of its activities (resolution No. 121).

234. Article 1 states that the Commission's chair shall be provided by the Health Ministry and that it shall be composed of representatives of the Ministries of Education, Agricultural Development, Labour and Social Welfare, Trade and Industry, Planning and Economic Policy, and Government and Justice, and of the Social Security Fund, the Commission on Free Competition and Consumer Affairs, the Institute of Renewable Natural Resources, the University of Panama, the National Nutrition Organization, NGOs working in the health sector, and the Office of Community Development (resolution No. 142).

235. Article 2 states that the National Food and Nutrition Education Commission shall have the following functions:

(1) To contribute to a permanent improvement in the nutritional habits of the Panamanian people;

(2) To formulate the standards, content and methods of food and nutrition education;

(3) To advise the institutions engaged in food and nutrition education activities;

(4) To organize training for food and nutrition education;

(5) To set up working subcommissions within the areas of the Commission's competence;

(6) To identify and formulate requests for technical and financial assistance from international and national agencies;

(7) To promote education campaigns on the selection, purchase, storage, preparation and consumption of the foods which make up the basic family basket;

(8) To coordinate the food and nutrition education work with NGOs;

(9) To draw up interinstitutional agreements;

(10) To monitor and evaluate the activities promoted and the bodies advised by the Commission.

236. Measures to guarantee food security by means of Panama's agrarian reform programmes: the agrarian reform was legally established by Act No. 37 of 21 September 1962, which set out the mechanisms for planning and putting into effect an equitable distribution of the ownership and holding of land and its rational use.

237. The farming sector is Panama's main source of work, for it employs 26 per cent of the total labour force. This sector also provides work for 45 per cent of the employed population in rural areas. However, the question of land ownership presents serious obstacles to the acquisition of land by small farmers and to the capital investment needed for the modernization of the countryside in general.

238. The Government has accordingly formulated policies and reforms to encourage the farming sector and its incorporation in the international market. These reforms include:

(1) Modernization of the land title system to embrace all the occupants of the country's land; this programme will start with a pilot project in Veraguas province, thus bringing a partial end to the precarious illegal occupation of land;

(2) Establishment of a system of land administration which will deliver legal security and help to resolve the current large number of disputes;

(3) Encouragement of environmental protection by designating and registering protected areas;

(4) Resolution of the title problem of the families settled on land under the agrarian reform.

239. In addition to introducing these reforms, the Government has been seeking to solve the problem of land for the most disadvantaged groups, such as indigenous communities, rural women and small producers; the special legislation enacted for their benefit is summarized below.

240. Indigenous communities: in order to enhance the food security of the indigenous peoples, laws have been enacted to guarantee them the ownership of land:

(1) Act No. 22 of 8 November 1988, creating Emberá Regions 1 and 2 in Darién province;

(2) Act No. 24 of 12 August 1990, creating the Kuna de Madugandí Region;

(3) Act No. 10 of 7 March 1997, creating the Ngobe-Buglé Region.

241. Rural women: while it is true that few land titles have been issued to women, it is equally true that there is no law discriminating against women with respect to their access to land.

242. The delivery of titles of land ownership to Panamanian women has increased by over 20 per cent in recent years.

243. By Act No. 3 of 7 May 1994 the Government adopted the Family Code. Articles 633-639 in Title II, Chapter III, establish a series of regulations guaranteeing family ownership and calling upon the State to promote the creation and maintenance of new family farms.

244. Small and medium-sized producers: the Government has encouraged in various ways the creation of associations of small and medium-sized producers, according to their areas of interest: they are not only guaranteed access to land but may also obtain technical assistance and continuing credit without delay. The following acts and resolutions warrant citation:

(1) Act No. 38 of 22 October 1980, creating the legal regulations governing associations and cooperatives;

(2) Act No. 19 of 5 October 1982, on the promotion of the primary production of foods of animal and vegetable origin for direct consumption or subsequent processing, which also establishes production incentives;

(3) Act No. 23 of 21 October 1983, regulating peasant organizations in the Republic of Panama;

(4) Act No. 1 of 3 February 1994, establishing the forestry legislation of the Republic of Panama and enacting other provisions. In Chapter II, article 12, it entrusts to the Agrarian Reform Office of the Ministry of Agricultural Development responsibility for ensuring the welfare of people living on Panama's forest lands;

(5) In order to ensure that small and medium-sized producers obtain title to the land which they work, the Agrarian Reform Office has adopted a number of resolutions and decisions reducing the cost of the State land (State-owned land and uncultivated common land) forming part of the national territory and has waived the payment of any transaction costs by applicants.

245. The following resolutions and decisions have been adopted in this connection:

- Resolution No. DN.110 of 27 March 1990
- Resolution No. DN-114 of 27 March 1990
- Decision No. ALP-009-92 of 27 April 1992
- Decision No. ALP-012-ADM of 12 May 1992
- Resolution No. DN-021 of 24 March 1993
- Resolution No. DN-030 of 27 April 1993
- Decision No. ALP-046-ADM-95 of 23 July 1995

246. The main purpose of all these resolutions and decisions is to provide incentives for small and medium-sized producers to obtain title to their land and thus satisfy one of the essential conditions for sustained food production.

247. As can be seen, the Government has endeavoured at all times to guarantee all Panamanians the food security to which every human being is entitled, but giving special attention to the most disadvantaged strata of the population.

248. The following measures have been adopted by the Government with regard to production, commerce, food supply, and foreign trade.

249. Production: through the Ministry of Agricultural Development, the originator and administrator of production measures, the Government has introduced the following policies to promote production through efficiency and competitiveness:

(1) Support for measures to accelerate integration in the international market and consolidate the internal market;

(2) Strengthening the processes of technology generation in the support services in order to provide access to financing and ensure the sector's sustainability;

(3) Human resources training;

(4) Promotion of the agricultural reforms in conjunction and in coordination with the private sector;

(5) Implementation of irrigation projects to incorporate an additional 12,000 hectares in the irrigation system;

(6) Development of the irrigation and agro-industrial infrastructure to facilitate production rationalization;

(7) Logistical support in connection with technical assistance for producers;

(8) Programme to modernize agricultural services by bringing private technical assistance under the Ministry's supervision;

(9) Development of the production sector in ways compatible with the sustainable use of renewable resources.

250. Poverty reduction: incorporation of the country's marginalized population, especially women and ethnic minorities, in the national economy by means of projects financed by:

(1) The Emergency Social Fund (FES): development of the Ngobe-Buglé indigenous communities;

(2) International Fund for Agricultural Development (IFAD): "Triple C" project and sustainable rural development project in Darién;

(3) World Bank: rural poverty and natural resources project;

(4) Modernization programme: this has a strong plant and animal health component, including the construction of laboratories. Plant and animal health legislation has been enacted for this purpose;

(5) Agricultural research: this has been strengthened by encouraging additional private work.

251. Commerce: the legal structure of the State has been modified with respect to commercial activities in order to facilitate free competition (creation of the Office for Free Competition), country-wide availability of incentives, and removal of tariff barriers under agreements with the World Trade Organization (WTO).

252. Comparative advantages and the national interest are taken into account before trade in a farm product or input is gradually liberalized.

253. Policies for the amendment of health standards and monitoring of food products have been formulated for entry into the world market and incorporation in WTO.

254. The Government is also proceeding with the establishment of a farm products exchange.

255. In addition, it is endeavouring to facilitate the promotion of exports and development of agro-exports zones by regulation of the trade information component in agribusiness.

256. Food supply: this includes ad hoc projects to meet the country's emergency needs, such as the Contingency Plan to deal with the effects of the "El Niño" phenomenon. Through the Ministry of Agricultural Development the Government identified the physical and financial requirements for coping with food shortages caused by the drought and transmitted a request for aid amounting to some 4.5 million balboas to the World Food Programme.

257. It is also seeking financial aid from the European Community in connection with the world conference on the "El Niño" problem.

258. The Contingency Plan has a budget of about 40 million balboas, 1.9 million of which is allocated for the purchase of machinery and equipment and 4.1 million for the construction of infrastructure for water storage and supply and repair of the public water-supply system; there is a request for transfer of 0.2 million for local food purchases and 4.5 million for producer credits. It has been estimated that 53,800 families are critically affected by the drought, and a requirement of almost 20 million balboas has been determined for food needs and operating costs.

259. Foreign trade (food exports and imports): food imports and their cost depend on the strength of the national currency. Panama has an advantage over the other countries of the region in that it uses the dollar for such transactions. This advantage enables Panama to meet the nation's food demands and nutritional needs.

260. Almost 50 per cent of local production has been affected, so that there will be a food shortage, especially of basic grains; the Government will respond by authorizing the purchase of 99,300 tonnes of rice, subject to agreement with local producers.

261. Right to adequate housing. Statistics on the housing situation: the 1990 national housing and population census produced the following information on the housing situation:

1. Registered dwellings	525,236 occupied
2. With earth floor	18%
3. With leaf and thatch walls or without walls	11.4%
4. With thatched roofs	9.1%
5. Without drinking water	16.2% (85,088)
6. Without sewerage services	11.9% (62,503)
7. Without electricity	29.6% (155,650)
Substandard housing	13.5% (70,907)

There are 201,182 persons living in 45,723 dwellings in overcrowded conditions.

262. Furthermore, the 1997 housing deficit included a total of 221,000 dwellings with problems:

1. Total disrepair	52,598 (23.8%)
2. Overcrowding	53,040 (24.0%)
3. Partial disrepair	80,886 (36.6%)
4. Formation of new households	34,476 (15.6%)

263. There are other social groups in a vulnerable situation where housing is concerned.

264. According to the 1990 census there were 16,126 persons (3,665 families) without homes.

265. At present Panama has 18,000 families living in illegal settlements.

266. According to figures from the 1990 census on the amount of rent or mortgage paid by heads of household, 41,045 heads of household were paying less than 50 balboas a month on housing costs, and their housing costs were higher than the cost of the basic monthly family shopping bill, which was 215 balboas at the time.

267. To date the Ministry of Housing has registered 46,129 persons awaiting a solution to their housing problems; their cases have to be duly investigated for verification purposes. The average waiting period varies according to the time needed for the construction of a project: for an apartment - eight months; for a building plot with minimum services - six months; and for a materials loan - 45 days. The housing solution offered by the Ministry is not temporary but immediate and permanent in the case of apartments or phased if the family obtains a plot on which it will subsequently build its home according to its economic capacity.

268. Number of dwellings under various types of tenancy, according to the 1990 census:

Owner-occupied	340,913
Mortgaged	55,133
Rented	83,277
Public	28,345

Public housing is built by the Government and may be owner-occupied or rented.

269. Legislation on the right to housing:

(1) Article 113 of the Constitution states:

"The State shall establish a national housing policy designed to provide for the exercise of this social right by all the people, in particular the lower-income groups".

(2) Act No. 9 of 25 January 1973, which created the Ministry of Housing, is designed to provide for the exercise of this social right by all the people, in particular the lower-income groups.

(3) Article 45 of the Constitution establishes the legal framework for expropriation, including provisions on compensation:

"Private property implies obligations for owners by reason of the social function which they must perform. For reasons of public benefit or social interest defined by law, expropriation may be effected by special legal decision and subject to compensation".

(4) Chapter VIII of Act No. 93 of 4 October 1973, which contains provisions on rental of property and created the Rentals Office under the Ministry of Housing, deals with all matters concerning the protection of tenants against eviction.

(5) Panama's current construction code is contained in the 1994 Buildings Regulations of Panama, known as "REP-94".

(6) Decision No. 1241 of 7 November 1972 and Act No. 35 of 30 June 1978, which reorganized the Ministry of Public Works, contain the information and regulations establishing the requirements for the design and construction of streets and rainwater drains for the whole country.

(7) Decree No. 523 of 15 May 1971 sets out the design and construction standards for systems of drinking water supply (aqueducts) and disposal of human wastes (sewerage) for the whole country.

(8) There are no laws prohibiting all forms of discrimination in the housing sector. All Panamanians are treated equally and without any discrimination based on race, social class, sex, religion or beliefs.

(9) While it is true that there is no legislation prohibiting discrimination in housing, Panama's Criminal Code does stipulate with respect to acts of discrimination committed by public servants:

"Article 338: A public servant who improperly refuses, omits or delays any act inherent in his functions shall be punished by a fine of 25 to 100 days salary, provided that the act in question is not subject to another penalty under a specific law".

(10) There are no laws prohibiting all forms of eviction.

(11) Article 113 of the Constitution states:

"The State shall establish a national housing policy designed to provide for the exercise of this social right by all the people, in particular the lower-income groups".

Acts Nos. 93 and 95 of 1973 establish areas subject to urban renewal.

(12) There is no legislative measure conferring legal title on persons living in the illegal sector.

(13) The 1974 Public Health Code and Decree No. 192 of 1956 on environmental health regulate the environment and sanitation in dwellings and human settlements.

270. Specific additional measures adopted to give effect to the right to housing:

(1) The programme of rapid assistance for housing of social benefit (PARVIS), which falls under IDB loan 949/OC-PN, provides a subsidy of 1,000 dollars in construction materials for families which have their own plot where they will gradually self-build a home. This subsidy may be increased to 1,500 dollars on the basis of one dollar from PARVIS for every fifty cents put up by the recipients. Local grass-roots organizations and NGOs are free to participate in PARVIS by submitting community improvement projects (water supply, latrines, rainwater drainage, ditches and gutters) for financing by the programme, which has resources of 34.5 million dollars.

There are already some 7,000 dwellings declared unfit for human habitation in Panama City and Colón owing to their precarious structural and sanitation conditions; they date back to the early twentieth century and the construction of the Panama Canal and have been taken over by the Ministry of Housing because their occupants have low incomes and must be relocated urgently in decent housing (apartments, plots with services, loans for construction materials). The Ministry has also acquired compacting machinery to produce "mud blocks", thus enabling rural communities to build decent low-cost housing on a self-build or community-build basis.

(2) In addition, on 7 December 1994 the Government promulgated Executive Decree No. 294, excluding from the scope of the regulations apartment buildings with monthly rents above 150 dollars; one of the purposes is to encourage the construction of apartments by the private sector for rental at moderate rates by families who cannot buy a home.

(3) Articles 119 and 121 of the Constitution contain guidelines on the correct agricultural "use of the land":

"Article 119. The State shall not permit the existence of uncultivated, unproductive or idle areas";

"Article 121. The correct use of farming land is a duty of the owner to the community".

Article 284 of the Constitution goes further:

"The State shall regulate the proper use of the land in conformity with its potential use and the national development programmes, in order to ensure its optimum exploitation".

The 1997 general State budget, totalling 2,150.7 million dollars, allocated to the Ministry of Housing 41.8 million, i.e. 1.94 per cent of the budget.

(4) Decree No. 45 of 20 December 1996, creating the national system for subsidizing housing of social benefit (SINASVIS), is one of the measures adopted recently to ensure that international assistance for housing and human settlements is used to meet the needs of the most disadvantaged groups. Article 1 of the regulations creating SINASVIS states:

"The State support for housing of social benefit consists of a direct one-off subsidy awarded to the recipient without any obligation to repay. This direct housing subsidy may constitute a supplement to the savings of a person wishing to buy a new home by means of a mortgage (PROVISA); or the subsidy may be intended, through a rapid assistance programme, to offer the possibility of obtaining housing to marginal poor and extremely poor groups; this assistance is based on community participation both at the project selection stage and in the formulation of the application, as well as in the execution, operation and maintenance of the project (PARVIS)".

(5) As national regulator of urban development, the Ministry of Housing encourages the upgrading of small towns by supplying them with "an official plan", which establishes highway rights and construction lines and a land-use plan, in order to secure orderly physical growth. For medium-sized towns the Ministry prepares "guideline plans" for the development of their urban space.

(6) The urban renewal programmes introduced by the State under Act No. 95 of 4 October 1974, regulating the development of areas subject to urban renewal, provides families with protection against eviction by prohibiting in article 9 any "act of alienation or leasing of real estate situated in areas subject to urban renewal which has not been previously approved by the Ministry of Housing". Article 10 goes on to "freeze" the property-register value of real estate located in areas subject to urban renewal at the moment of their declaration as such.

271. During the period covered by this report there have been no changes in housing policies which might have an adverse effect on this right. Quite the reverse, for the new policies are clearly designed to benefit and are targeted on families with scant economic resources and families living in poverty or extreme poverty, offering them a non-repayable grant for constructing the first stage of a home, which may then be gradually further developed as the family's purchasing power increases.

272. During the period covered by this report there have been no difficulties in the exercise of the rights set out in article 11 of the Covenant.

273. Thanks to the credibility won by the Government of Panama in the eyes of international organizations, IDB approved loan 949/OC-PN in an amount of 70 million dollars for the period 1997-2000 to meet the housing needs of families with monthly incomes of under 1,000 dollars; there are three programmes: under the programme of joint public/private sector financing (PROFINCO) the Government

provides 20 per cent of the initial payment for a home costing up to 20,000 dollars; under the programme for housing purchased with subsidy and savings (PROVISA) the Government provides a subsidy of up to 4,000 dollars for a home costing up to 20,000 dollars on the basis of two dollars subsidy for every dollar put up by the applicant; and under the programme of rapid assistance for housing of social benefit (PARVIS) the Government provides a non-repayable subsidy worth up to 1,500 dollars in housing construction materials. PARVIS can also help groups of at least 10 families with community projects offering a better return. The following are the income levels for access to the programmes: PROFINCO - 600 to 1,000 dollars; PROVISA - 300 to 600 dollars; and PARVIS - under 300 dollars.

Article 12

274. Mental health. In the Republic of Panama matters connected with mental health are acquiring increased importance every day. An analysis of the main general causes of mortality in Panama, which include cerebro-vascular problems, accidents, suicides, homicides, etc., has identified risk factors associated with mental health.

275. The strategy for primary mental health care is being consolidated by the establishment of health promotion centres.

276. There are currently two such centres, in the metropolitan health region and in Natá, Coclé province, which carry out measures of psycho-social rehabilitation and grass-roots education and organization to cope with the main health problems and train self-help groups, taking into account the prevailing morbidity pattern and/or needs.

277. In some of the country's health regions the mental health component is being incorporated in the health programmes through the process of decentralization and/or the implementation of a new treatment model based on the family, community and environment.

278. Physically and mentally disabled persons: the available information shows that most cases (46.9 per cent) are found in Panamá province. Out of the total number of cases (31,111) 56 per cent are males. The commonest disability is mental retardation with 7,491 cases, followed by 6,902 persons with permanent physical disabilities, figures representing 24.1 and 22.2 per cent of the total respectively.

279. It is believed that the mental health of Panamanians has deteriorated, owing to the high incidence of mental breakdown and to lifestyles:

(1) Family violence and abuse of women, adolescents, children and old people;

(2) Traffic accidents, suicides, homicides and other violent acts; in 1994, 1,506 deaths were reported: 1,242 males and 264 females. The 1995 total was 1,571;

(3) Alcoholism and drug addiction. In 1995 dependency on alcohol, cocaine and other drugs was one of the main causes of admissions to the National Psychiatric Hospital. However, morbidity due to this cause is under-recorded, both in out-patients departments and in the health centres and general hospitals. An epidemiological study on drug abuse in Panama City sponsored by the Inter-American Commission for the Control of Drug Abuse of the Organization of American States and by the Pan-American Health Organization (PAHO),

carried out in the emergency rooms at Santo Tomás Hospital and the hospital complex of the Social Security Fund, determined a high incidence for five out of the 10 drugs studied:

Pain-killers such as aspirin

Tranquilizers

Tobacco

Alcoholic beverages (beer, wines)

Stimulants (amphetamines)

Marihuana

Cocaine chlorhydrate

Crack cocaine

Paste-base cocaine

Inhalants

Hallucinogenics (lysergic acid, fungi)

Heroin and other opiates

A total of 2,251 persons was surveyed: 1,226 (54.5%) males and 1,024 (45.5%) females. The commonest age-group was 20-29 (31.3%), followed very closely by the 30-39 group (30.5%). As to civil status, 41.6 per cent were unmarried and 27.8 per cent married. With regard to employment, 52.6 per cent said that they had jobs and 46 per cent were unemployed, the rest being students; 37.7 per cent worked in the services sector. The largest group in educational terms had incomplete secondary education (36.1%).

(4) Incidence of drugs:

Alcohol (74.5%), slightly lower than the previous year (77.4%);

Tobacco (42.8%), also slightly lower than the previous year (44.3%);

Tranquilizers (15%), virtually the same as the previous year;

Marihuana (5.9%), down by 2.7 per cent on the previous year;

Cocaine (4%).

280. Mental health disorders, mainly among adolescents and young adults: the median and average age for the first use of alcohol is 19.1 years, and for tobacco 18 years. Outpatients departments record the following figures: neurotic disorders - 739; adaptive reaction - 534; schizophrenic psychosis - 318; affective psychosis - 248; and emotional disturbances peculiar to children and adolescents - 103. Schizophrenic psychosis (369 cases) is the commonest reason for hospital admission, followed by affective psychosis (299), drug addiction (241), abuse syndrome (167), and breakdowns (103). Medical consultations in the psychiatric service in the country's health centres produce the following figures: nervous breakdowns - 603; selective development retardation - 407; depressive disorders not classified elsewhere - 221; and emotional disturbances peculiar to children and adolescents - 189.

281. Psychiatric hospital services: the availability of beds in the National Psychiatric Hospital declined by 60 per cent between 1990 and September 1997.

282. Most beds on the wards were allocated to the long-stay, recovery and geriatrics services, with totals of 120, 115 and 104 beds respectively. Most beds were occupied by males.

283. Improvement of the quality of care is the aim of the technical team. The men's long-stay ward was recently remodelled in accordance with the PAHO care-quality standards.

284. The Hospital runs a three-stage psycho-social rehabilitation programme, using the index-card system. Approximately 90 per cent of the patients participating in the programme are rehabilitated, but they do not return to live in the community owing to neglect and/or rejection by their families.

285. Twelve patients died in the Hospital from physical causes in 1996. Three quarters of the deaths occurred in the 70-and-older age group.

286. The Anita Moreno Hospital: this regional hospital in Los Santos province, which is currently functioning as a general hospital with psychiatric wards, has seen its number of beds fall from 380 in 1990 to 259 at the present date. The psycho-social rehabilitation work in this hospital will be strengthened by involving friends and relatives in the care of persons with mental disorders. In order to improve the care in the psychiatric blocks, chronic patients have been separated from the acute cases. Only 38 per cent of the chronic patients admitted to hospital have been relocated with relatives. The plan is to remodel the old physical structure of the blocks in accordance with the PAHO care-quality standards and to create a day centre in the occupational therapy department and psycho-pharmacological clinics in the health centres which lack this facility.

287. Psychiatric wards in general hospitals: the psychiatric wards in Santo Tomás Hospital and in the metropolitan hospital complex of the Social Security Fund have a total of 25 beds for patients with mental problems. The country's other general hospitals do not have any beds allocated to the psychiatric service; mentally ill patients are cared for in the hospitals' other wards, depending on the availability of beds and the patient's condition.

288. The indiscriminate admission to the general and specialized hospitals of patients such as drug addicts, murderers, and other criminals has been reduced thanks to a strategy of dealing with mental health needs in the country's prisons; psychiatric-morbidity assessments and diagnoses are made in order to determine the appropriate handling of the prisoners in question.

289. The right to health is embodied in Title II, Chapter 6, article 105, of the Constitution:

> "It is an essential function of the State to attend to the health of the people of the Republic. Individuals, as members of the community, are entitled to measures of promotion, protection, maintenance, restoration and rehabilitation".

290. Complementing this provision, Cabinet Decree No. 1 of 15 January 1969 states in article 2:

> "It is a duty of the Ministry of Health to study, formulate and execute the National Health Plan and to monitor and evaluate all activities carried out in the sector in conformity with the planning of the resources which are or may be allocated to health care both by the institutions of the State

and by independent and semi-independent organizations, whose policies must be consistent with the requirements of integrated planning".

291. The Ministry takes an overall view of health as a vital commitment of the social and integrated development of the population, and this commitment is made equally to everyone as a universal right. The modernizing approach of the health sector is thus incorporated in the National Health System, together with the challenge of reducing the inequalities in human development confronting the different population groups making up the nation.

292. The organization of health policy, consistent with the stated principles, policies and strategies and with the challenges for the health sector, is based on its central agencies and its regional and local facilities. The Health Promotion and Care Division is the regulatory and administrative agency for the principal programmes, which have the following objectives:

(1) Women's health:

To improve the health of women of childbearing age (15-49);

To carry out measures to reduce maternal and perinatal mortality;

To take action to reduce morbidity and mortality due to cervical and breast cancer.

(2) Children's health:

To promote the healthy growth and development of under-15s and to cut the morbidity and mortality rates in this age group by means of adequate health care;

To carry out measures to help to reduce mortality among under-15s, with special emphasis on deaths due to acute respiratory diseases and diarrhoea;

The enhance the people's knowledge of child health.

(3) School health services:

To improve the general health of children aged 5 to 15 years in the formal education system through measures of health promotion, care and treatment for the development of their biological and social potential;

To cut the morbidity and mortality rates among schoolchildren by means of the measures set out in the regulations of the National School Health Programme.

(4) Integrated health care for adolescents:

To contribute to the integrated physical, mental and social development of adolescents and young people of both sexes in the 14-19 age group through measures of promotion, care, education, prevention and rehabilitation.

(5) Adult health:

To improve the health of people aged over 20 by means of education, prevention, care and rehabilitation;

To develop clinical training in and treatment of chronic diseases and to expand the third-age programme.

(6) Mental Health:

To help to improve the mental health of the whole population through measures of promotion, prevention, care and treatment, with emphasis on the risk groups.

(7) Nutritional health:

To improve the nutrition of the people, especially the risk groups.

(8) Dental health:

To promote, protect, care for and restore the dental health of the people, especially the risk groups.

(9) Prevention and control of drug addiction:

To prevent drug addiction and to treat and rehabilitate the population at risk of taking drugs.

(10) Prevention and control of AIDS:

To strengthen the promotion and prevention activities carried out in connection with HIV/AIDS.

(11) Education for health:

To improve the people's access to health education and promotion activities and to strengthen community organization.

(12) Immunization:

To carry out measures to prevent and control diseases preventible by immunization, with grass-roots participation.

(13) Epidemiology:

To monitor communicable and non-communicable diseases, their causes and their distribution among the population, with a view to timely intervention by the programmes at the local level.

(14) Environmental protection:

To upgrade environmental conditions by means of adequate basic sanitation (water supply, latrines, refuse).

293. Proportion of GDP allocated to health:

Year	GDP	Health allocation	Percentage
1985	5.206,2	129.0	2.48
1990	5.024,1	149.0	2.98
1995	5,024.1	181.3	3.61

Source: Bulletin of National Accounts. Economic System. Office of the Controller-General.

294. The 1985 GDP was 5,206.2 million dollars, of which the health sector received 129 million (2.48%); the 1995 GDP was 5,024.1 million dollars, with 181.3 million (3.61%) allocated to health.

295. The following amounts were allocated to the health sector from the national budget (in balboas):

Year	Health budget
1985	337,900,000
1990	320,400,000
1995	547,710,000

Source: Ministry of Planning and Economic Policy.

296. It can be seen that between 1985 and 1995 the health sector budget increased by 61.9 per cent, underlining the priority assigned by the Government to this sector.

297. WHO indicators: Panama's estimated infant mortality rate for 1985-1990 was 28.4 per 1,000 live births; the 1990-1995 rate was 25.1, a reduction of about 12 per cent. This reduction is closely related to the mass vaccination and oral rehydration programmes and to the improvement and expansion of the health care cover.

298. For the five-year period 1990-1995 Panama was among the countries with the lowest infant mortality rates in Central America (CELADE, 1995b). The estimated rate for 1994 was 24 per 1,000 live births for the whole country; this places Panama in the group of countries achieving the target set under Health for All by the Year 2000: an infant mortality rate below 30 per 1,000 live births.

299. There was a slight difference by sex in the 1994 infant mortality rates: 19.7 per 1,000 live births for boys and 15.9 for girls.

300. The urban and rural rates differ as a result of economic and social conditions, people's health habits and other social factors such as the availability of health and education services. The 1990-1995 estimates were 20 deaths for every 1,000 live births in urban areas, whereas the figure for rural areas was almost 30 per 1,000, which points to better socio-economic conditions and provision and accessibility of services in urban areas.

301. The Office of Statistics and Census of the Office of the Controller-General defines "urban" and "rural" as follows:

> "The urban population consists of people living in settlements of 1,500 or more inhabitants which have the following amenities: electric lighting, public water supply, sewerage systems, paved streets and sidewalks, shops, and social and leisure facilities.
>
> These amenities may be found throughout the settlement or in only part of it. The rest of the population, living in places or areas which do not satisfy these conditions, is regarded as rural".

302. Some 83.8 per cent of the population was served by a drinking water supply. In urban areas the cover of this service was 98.8 per cent and in rural areas 64.5 per cent. Only 1.2 per cent of the urban population lacked a drinking water service, as against 35.5 per cent in rural areas.

303. At present, the agencies responsible for the supply of water for human consumption and the disposal of sewage are the Institute of National Aqueducts and Sewers (IDAAN) and the Ministry of Health. In 1994 water consumption totalled 135 million gallons a day in the systems administered by IDAAN. Water supply in rural areas is the Ministry's responsibility, but the systems are managed, operated and maintained by the community.

304. For life expectancy at birth by sex, the cover of children aged 1-6 by type of vaccine, and the cover of antenatal care, see annex III.

Article 13

305. The Government of Panama is fulfilling its obligation to provide free compulsory primary education for everyone by establishing the legal framework for this free provision.

306. Articles 2, 3 and 4 of Act No. 34 provide that education shall be free in schools open to all students without distinction as to race, social status or religion. Furthermore, the Constitution stipulates that education shall be compulsory from age 6 to 15 years.

307. Act No. 34 expands the scope of free education by providing basic general education (in which students are not charged any enrolment fee) including the services of specialist teachers (secondary and university graduates in education) and the supply of resources such as school furniture and equipment, libraries, etc.

308. Secondary technical and vocational educational dates back to the beginnings of the Republic. The evolution of this type of education has been influenced by various conceptual changes introduced in the Constitution and the Education Act.

309. The main historical facts and the legal framework show that free and diversified secondary education began in 1904 as a three-year course. This secondary education continues on from basic general education and offers students a solid grounding in specific subjects, in order to prepare them for productive work and enable them to enter the labour market or continue in higher education, in accordance with their abilities and interests and the country's socio-economic needs.

310. In order to attain the objectives of technical and vocational secondary education, Panama has introduced baccalaureates and a number of intermediate technical courses to consolidate the students' specialized training and meet the needs of the country at every moment.

311. Aware of the need to offer its citizens better access to culture in general and to education in particular, the State has extended its provision to the secondary level, even providing post-secondary courses for those students who cannot move on to the third level, which includes university and other higher education.

312. Taking as a point of reference the operation of the schools established to provide technical and vocational pre-secondary and secondary education, and in the light of the expected enrolment, it may be said that in general terms education is available to meet the demand, with some problems and constraints in communities of difficult access located in the larger, thinly populated provinces. Education is available in these communities, but access to it is limited by various factors: cost, distance, wide dispersal of population, specific characteristics of the people, lack of means of communication, etc.

313. Article 51 of the Education Act (No. 47 of 1946, as amended by Act No. 34 of 6 July 1995) states that secondary education shall be free; however, the reality is that its free status tends to be eroded, for the following reasons:

(1) High cost of technical and vocational education;

(2) Equality of allocations under the headings of Act No. 13 of 28 July 1987 to technical and vocational schools and academic schools;

(3) Technological advances: parents are prompted to try to ensure that their children have swift access to the new technology, incurring costs to the technical and vocational schools which they cannot meet from their own resources;

(4) Fee increases by the unilateral decision of school managers, to the detriment of parents and in violation of the provisions of Act No. 13: costs such as maintenance, use of laboratories, orchestras, graduation, etc.;

(5) Failure of the Ministry of Education to standardize the fees charged to parents by schools for insurance, identity cards, badges and insignia, smocks, physical education strip, etc.;

(6) Fees charged by head teachers to all parents for payment of music and information technology teachers;

(7) Lack of standardization of schools with regard to admission fees;

(8) Continual expenditure by parents for the purchase of copies, brochures, books, etc., in the schools;

(9) Continual switches of books as a result of special offers made by their authors, including teachers and head teachers;

(10) Lack of State protection for consumers of school supplies and uniforms;

(11) Increased cost of food items for students in the schools.

314. Higher education is provided in universities and other institutions, which require as a minimum condition for admission successful graduation from secondary education. There is no specified age for admission.

315. University education is available at four public institutions: the University of Panama, the Technological University of Panama (which has regional schools almost throughout the Republic), the Autonomous University of Chiriquí, and the Naval School of Panama. There are also private institutions: the University of Santa María la Antigua, the University of the Isthmus, the Latin University, the Extramural University, the University of Peace, Columbus University, and the Latin American University of Science and Technology. Most of these institutions were established after 1990.

316. Non-university education is offered outside the university precincts; this level includes public institutions and schools such as the Higher School for Teacher Training, and four post-secondary schools set up in 1997. The private sector has 10 post-secondary schools teaching a variety of subjects: tourism, computing, modern administration, banking, etc.

317. The increased enrolment in higher education in Panama, as in other countries of Latin America, has not been matched by growth in the education system as a whole. Enrolment in the University of Panama (UP), for example, has evolved as follows:

	1950	1960	1970	1980	1990
A. Total UP enrolment	1,688	4,520	8,341	30,379	38,468

	1991	1992	1993	1994	1995
B. Total UP enrolment	42,493	46,493	50,585	51,093	56,054

	1989	1990	1991	1992	1993
C. Technological University of Panama	7,063	8,522	9,881	9,962	11,000
D. University of Santa María la Antigua	4,411	5,079	5,552	6,067	6,257
E. University of the Isthmus	347	441	560	781	882

318. Over the course of 45 years the University of Panama's share of the total enrolment increased from 1.7 to 8 per cent, and only this body increased its student numbers by a factor of more than 30.

319. The wider access to higher education resulting from the growth in enrolment has been accompanied by profound changes in the family backgrounds of the students: higher education is now the birthright of broad masses of the population. This growth has also included larger numbers of female students.

320. An analysis of the figures on graduation from the University of Panama by sex shows the following situation:

	Total	%	Male	%	Female	%
1939	58	100	28	48.3	30	51.7
1995	3,334	100	955	28.6	2,379	71.14

321. The costs of higher education: the tables annexed to this report set out Central Government spending on education by level and type for 1991 and 1995. These figures show that university education accounted for 22.2 per cent of this spending in 1995, higher than the 20.3 per cent expended on the secondary level. Similarly, the public 11 per cent of university enrolment is assigned 22 per cent of governmental spending, while the public 58 per cent of enrolment at the preschool primary level is assigned only 32 per cent.

322. Spending per university student was 1,236.11 balboas in 1995 (see annexed tables). This figure represents only spending, for statistical series are not available in sufficient detail for a reliable analysis of the internal efficiency of the public universities. However, the global analyses do show that the average internal efficiency is low.

323. Free education: the information given above demonstrates the explosive growth of enrolment in the University of Panama and the Technological University of Panama. Tuition is virtually free, for charges range between 25 and 50 balboas per semester, as against private university fees of 700 to 800 balboas.

324. Panama is endeavouring to establish a system of basic education for people who have received no or incomplete primary schooling through the provision of basic general education under informal arrangements. For this purpose the Ministry of Education has a National Office for Young People and Adults, which runs courses and workshops in popular culture, handicrafts and technical subjects to offer qualifications for this section of the labour force. Mention must also be made of the NGOs working to satisfy this type of demand.

325. Act No. 34 introduced a twin-track arrangement as a means of helping working adults who have not completed primary education.

326. The Government of President Ernesto Pérez Balladares inherited a situation characterized by:

(1) A large proportion of the people living in conditions of absolute poverty (45%) or critical poverty (22%);

(2) A scattered rural population which is constantly migrating;

(3) A large number of primary schools with multi-grade classes (78%) and with a generally deplorable physical infrastructure (shack schools);

(4) Poor cover of preschool education for children aged 4 to 5 years. In 1995 only 22.8 per cent of this age group had this need met.

(5) Shortage of text books and other teaching materials;

(6) A curriculum and teaching model out of phase with the needs and the new realities of the students and their environment.

327. The Ten-Year Strategy for the Modernization of Education (1997-2006) envisages:

(1) Offering scholarships in basic general education for children from the poorest communities;

(2) Providing a food supplement for all children in basic general education (milk, enriched cream);

(3) Repairing the physical infrastructure and reorganizing the schools with multi-grade classes;

(4) Expanding the cover for preschool (75%), primary (99%) and presecondary (90%) children;

(5) Producing and supplying text books for all children in basic education and teaching manuals for all teachers at this level;

(6) Introducing a new curriculum and a new teaching model in all the country's schools;

(7) Providing all the country's schools with computer units;

(8) Producing better-trained and more highly motivated teachers;

(9) Introducing an education programme for young people and adults to reduce the illiteracy rate from 9.5 to 4 per cent and expand basic general education for this group;

(10) Expanding special education for disabled children, with emphasis on the policy of inclusion;

(11) Equipping basic general education schools with libraries, classrooms and student centres.

328. Illiteracy statistics:

	Total	Public	Private
Enrolment	638,517	554,590	83,927
Urban	405,625	323,069	82,556
Rural	23,892	231,521	1,371
Initial	46,245	34,207	12,038
Urban	33,135	21,712	11,423
Rural	13,110	12,495	615
Primary	371,250	335,746	35,504
Urban	181,609	146,440	35,169
Rural	189,641	189,306	335
Secondary	221,022	184,637	36,385
Urban	190,881	154,917	35,964
Rural	30,141	29,720	421
Drop-out rates (%)			
Primary	1.9	2.1	0.5
Urban	1.5	1.7	1.0
Rural	2.3	2.3	0.6
Secondary	3.9	4.2	2.4
Urban	4.0	4.4	2.5
Rural	3.2	3.2	-0.1
Graduates	92,745	78,128	14,617
Primary	47,030	42,214	4,816
Secondary	45,715	35,914	9,801
Illiterates	189,184	-	-
%	10.7	-	-

Figures up to 20 October 1997.

329. The statistics on this question are broken down in annex IV, which contains the following information:

(1) Percentages of national budget allocated to education, 1985-1996;

(2) Government's efforts in school building and repair, 1994-1997;

(3) School populations for Ministry of Education and private sector;

(4) Map showing location of schools in relation to student centres.

330. Act No. 34, which updated the education system, took a significant step by including in its second section 10 articles on the education of young people and adults. This type of education is conceived as a set of educational activities to be carried on at various levels and using modalities and ways of learning based on the idea of continuing education, with a view to enabling young adults to manage their own lives to attain their integrated development, without distinction as to race, sex, religion, economic or social status, or political ideology.

331. The Act provides that the organization and methodology of this type of education should be based mainly on self-teaching, with the focus on self-directed learning techniques. it also uses distance learning and traditional methods with a teacher, either directly in the classroom or informally, as well as techniques of social communication.

332. The Act also incorporates vocational training in the form of basic skills courses in specific subjects, while vocational training under the adult education arrangements will also provide instruction in the use of appropriate techniques for the operation of machinery and equipment, thus offering opportunities to many Panamanians lacking the necessary means of availing themselves of the education services in the regular system.

333. The legislation also provides that the State shall promote education programmes in the prisons as a means of contributing to the prisoners' social rehabilitation.

334. The Act is innovative with respect to linguistic minorities: education in indigenous communities is to be based on the general principles and objectives of the national system and shall be consistent with the characteristics, aims and methodology of intercultural bilingualism.

335. The legislation also provides that the State shall ensure the implementation of special programmes using the methodology of intercultural bilingualism for the adult indigenous population, with a view to reaffirming its ethnic and cultural identity and improving its standard of living.

336. In addition, it addresses the provision of education for persons of the third age by means of education and leisure programmes to help them to lead full lives.

337. For the purposes just described, the Ministry's Office for Young People and Adults is carrying out various educational measures through programmes and projects in the following areas:

(1) Literacy in Spanish (regular programme at the national level);

(2) Bilingual literacy for indigenous groups (vulnerable areas);

(3) Completion of primary schooling;

(4) Popular culture;

(5) Vocational training;

(6) Secondary education in night school;

(7) Educational programmes.

338. The various programmes and projects are currently reaching 35,952 young people and adults; priority is given to the basic education of this group in rural indigenous areas.

339. The proposal under the Ten-Year Strategy is to reduce indigenous illiteracy by means of an intensive literacy programme for children, young people and adults in their own languages in the first, second and third grades, and to guarantee post-literacy services for the persons involved.

340. Cabinet Decree No. 92 of 25 March 1971 established the salary scale for teachers in seven grades and 32 steps, with increments of 30 balboas for each grade.

341. The first grade consisted of two steps and the other six of five steps each. Every year teachers delivering satisfactory service during the immediately preceding year moved up automatically to the next step within their grade; their salary remained constant throughout a grade and they obtained their increments when moving from one grade to the next.

342. Act No. 22 of 28 February 1973 then introduced 14 grades, depending on functions, responsibilities and qualifications, and each grade was divided into eight steps corresponding to the teacher's years of satisfactory service. The remuneration consisted of a basic salary tied to the grade and increments for each step. The first six grades were of four years each, and the seventh and eighth of two years each.

343. Act No. 32 of 29 March 1974 increased teachers' salaries as follows:

(1) Monthly salaries up to 125 balboas, by 20 per cent;

(2) Monthly salaries between 125.01 and 200 balboas, by 15 per cent;

(3) Monthly salaries over 200 balboas, by 30 per cent.

344. Act No. 47 of 20 November 1979 established the salaries policy for all teachers employed by the Ministry of Education. The monthly remuneration of a serving teacher consisted of:

(1) The basic salary for the grade corresponding to his post as stated in his conditions of appointment;

(2) Increments already acquired;

(3) Increments acquired subsequently in accordance with the Act;

(4) Any additional allowances established by law;

(5) The salary increases awarded by the Government.

345. This scale had 22 grades. The basic salaries were raised by 40 balboas a month with effect from 1 January 1980 and by 100 balboas from 1 July 1980. On 1 January 1981 teachers in grades A to K received a raise of 15 balboas and those in grades L to U 10 balboas.

346. The Act provided for additional payments over and above the basic monthly levels for teachers employed by the Ministry who held an established senior post in industrial or agricultural vocational training in a school providing education for specific occupations or professions on courses lasting at least two years as part of the secondary technical and vocational training system.

347. Resolution No. 72 of 24 June 1982 awarded an increment of 50 balboas in the basic salary for senior teachers and 40 balboas for teachers.

348. The current legislation is contained in Act No. 10 of 5 July 1994, which amended Act No. 20 of November 1979 with respect to increments.

349. This Act provided that in 1993-1994 the increments would be paid biannually, depending on the teacher's length of service and grade.

350. It also provided for the payment of annual increments in accordance with the teacher's length of service and grade.

351. From the beginning of the 1998 school year there was to be an increase of 50 balboas in the basic salaries of serving teachers.

352. The following measures have been introduced in order to improve the standard of living of the Ministry's teaching staff and thus its levels of satisfaction and motivation:

(1) Decentralization of appointments and transfers; teachers are given the opportunity to work close to home, with consequent improvements in their family's welfare and economic situation, etc.;

(2) Award of permanent status after two years of service, providing stability and better living standards;

(3) Introduction of financial incentives in the form of annual bonuses to provide a better quality of life for teachers;

(4) Possibility for teachers with health problems to be transferred to areas equipped with specialist medical services so that they can get better medical treatment;

(5) Extension to teachers of the social welfare programmes run for administrative personnel by the Department of Human Resources Planning and Social Welfare, such as the spectacles programme, etc.;

(6) Transfer competition for teachers working in areas of difficult access.

353. The past three years have seen the implementation of a large number of measures to improve the quality of the national education system. Quality in education is a matter for all the actors: teachers, students, parents, and organizations of civil society.

354. Since 1996 Panama's education system has been focusing its efforts on carrying out the following policies over the next decade:

(1) Promoting the democratization of the education services;

(2) Giving priority to improving the quality of education;

(3) Introducing modern, decentralized and efficient planning and management;

(4) Expanding family and community participation in education.

355. The adoption in 1995 of Act No.34, cited repeatedly in this report, brought about important changes in the education system, including the following:

(1) Introduction of administrative decentralization as the organizational structure and as a means of extending and updating the forms of participation;

(2) Establishment of bilingual cross-cultural education;

(3) Consolidation of the educational community made up of the various social actors participating in the education process;

(4) Introduction of 11 years of free compulsory education, an increase of five years;

(5) Creation of intermediate technical courses;

(6) Introduction of education for young people and adults;

(7) Introduction of education for the disabled in the regular and special systems;

(8) Establishment of the right of parents to join together to set up private schools;

(9) Improvement of teachers' working conditions in private schools;

(10) Introduction of a legal provision that the budget of the Ministry of Education may not be less than in the preceding year.

356. There is a consensus that without democratic and top-quality education it is impossible to the secure economic, social, scientific, technological, cultural or political changes to which the Panamanian State and society aspire.

357. It is asserted in this connection that only education is capable of upgrading the individual's situation in order to develop his occupational and technical performance, stretch his horizons, enrich his creativity, make the most of his intelligence, and ensure that he demonstrates the attitudes and behaviour proper to a responsible citizen.

358. As part of this approach, in taking up the challenge of securing equitable and sustainable human development and modernizing the Panamanian State and society the Government has assigned a high

priority to education as the best means of empowering people to satisfy their own basic needs, achieve their own personal development, and contribute to the country's advancement.

359. This national project has been designed within an international context characterized by the importance of globalization, the strong influence of the market economy, greater political and cultural independence, and an unprecedented explosion of knowledge, information technology and communications as decisive factors in modern society.

360. The world without frontiers in which we live today demands quality, competitiveness and efficiency and creates parameters which are making it increasingly difficult to get Panama's products accepted and its resources recognized.

361. As the UNDP Report on Human Development 1994 pointed out, the same speed with which the world was unified has also wrought devasting and abrupt changes in many of the problems right up to our own doorsteps. In this context, international assistance comes into play as a viable solution to the problem. Firstly because through its mechanisms it is possible to select, rank and redirect knowledge developed in other situations and assimilate it in one's own; and secondly, since there is a common denominator of interests, the experience acquired in the research and teaching institutions and centres of one State can be transmitted to other States in order to solve problems common to all.

362. In this way international assistance makes it possible to increase the capacity for communication not only between Governments but also between the agents, groups and organizations committed to solving the problems and developing knowledge by encouraging its circulation and its acquisition by societies.

363. Today knowledge and learning have new characteristics. Information networks and highways, new knowledge and technology, and new interactive processes are opening up a vista whose fundamental feature is the constant flow of ideas, concepts and data.

364. Panama is facing up to a world without frontiers in which the presence and contribution of each single country can enrich the world of the others. The advances which are being achieved in education, curricula and methods will without any doubt be used to train human resources to cope with the demands now imposed by modern science and knowledge.

365. In this context international assistance facilitates the application of development experience, methods and models and the solution of the bigger problems, which require that the cost/benefit ratio should be multiplied rationally by intensifying the use of the communication networks of science, technology, culture and education.

366. Accordingly, education today draws sustenance from these common experiences, for the successes and benefits, subject to the restrictions of each individual society, can enrich the national universe without altering its identity, teaching methods, planning, curriculum design and modernization or its quest for quality in all the areas which can be shared through international assistance.

367. Lastly, international assistance must be conceived as a prime instrument for facilitating access to knowledge and attaining the goals of changes in education, as well as encouraging permanent, flexible and timely access to other innovative policies and practices which strengthen a country's own national education policies.

Article 15

368. At present the only source of funds for promoting cultural development and popular participation in cultural life is the budget of the National Institute of Culture (INAC). The budget operates like an investment budget, reaching $ 7,046,000 in 1996 and around 15 per cent of the total national budget in 1997. It was projected to be $ 10,675,770 in 1998 (budgeted amount).

369. INAC was established by Act No. 63 of 6 June 1974; is main purpose is to direct, promote, coordinate and administer cultural activities throughout the country.

370. INAC is thus the agency responsible for formulating cultural policy, executing the relevant programmes, planning, organizing, administering and coordinating programmes for the development of culture, promoting and developing activities designed to disseminate and stimulate culture throughout the country, either directly or with the cooperation and participation of the Legislative Assembly, municipalities, community councils and interested organizations. INAC also promotes and manages the construction, repair and maintenance of cultural sites and buildings in Panama and offers technical and financial assistance to public and private cultural bodies, as far as its resources allow and on a non-profit basis, for the construction and equipment of cultural facilities. Its main functions include the management of international technical cooperation connected with every aspect of culture and the arts, and the recruitment of foreign technical and professional personnel of recognized and proven ability, provided that the need can be justified.

371. The Institute's other functions include:

(1) Encouraging scientific research on cultural subjects;

(2) Contracting domestic and foreign loans and issuing loan instruments with the prior authorization of the Executive and solid backing of the nation; for this purpose it may pledge any of its own assets which do not form part of the nation's cultural heritage;

(3) Effecting the survey, study, safekeeping, preservation, restoration, enrichment and administration of the nation's cultural heritage;

(4) Programming and carrying out the historical and scientific research necessary for the attainment of its objectives;

(5) Preserving and enriching the historical, artistic and cultural heritage of the nation;

(6) Administering, planning, coordinating and supervising the specialized artistic education provided by the Institute itself;

(7) Publishing and disseminating the most important works in the various fields of culture;

(8) Establishing and judging the competitions for public cultural and artistic prizes.

372. The management functions have six operational levels:

(a) Political and administrative

1. Board of Management
2. Office of General Management
3. Sub-Office of General Management

(b) Advisory

1. Legal counsel
2. Information
3. International technical cooperation

(c) Financial control

1. Internal audit

(d) Auxiliary support

1. Office of Administration

(e) Technical

1. Office of Design and Supervision of Works
2. Office of Publications and Communications

(f) Operational

1. National Office for the National Heritage
2. National Office for Cultural Extension Work
3. National Office for Artistic Education
4. National Archives Office

(g) The regional agencies

373. The following institutions are responsible for carrying out the INAC policies:

- Reina Torres de Araúz Anthropological Museum
- Museum of Natural Sciences
- Museum of Colonial Religious Art
- Museum of the History of Panama

- Africa-Antilles Museum
- National Heritage Museum, Los Santos
- Belisario Porras Museum
- El Caño Archeological Park
- Manuel F. Zárate Museum
- Penenomé Museum
- Herrera Museum
- Veraguas Museum
- Salt and Sugar Museum
- Handicrafts Museum of the Andean Countries
- José de Obaldía Museum of History
- Monumental site of Panamá la Vieja
- Casco Viejo monumental site, Panama City
- Portobelo monumental site
- OEA-INAC Subregional Centre for the Restoration of Pre-Colombian Ceramics
- National Theatre School
- National Dance School
- National Folkloric School, Los Santos
- National Institute of Music
- Youth School of Music
- School of Fine Arts, Aguadulce
- School of Fine Arts, Bocas del Toro
- School of Fine Arts, Colón
- School of Fine Arts, Chitre
- School of Fina Arts, David
- School of Fine Arts, Correra
- School of Fine Arts, Las Tablas
- Estelina de Tejeira School of Fine Arts, Penonomé
- Verísmo Castillo School of Fine Arts, Puerto Armuelles
- School of Fine Arts, Veraguas
- Diana Chiari Handicrafts School, La Arena
- Cultural Centre of Antón

- Cultural Centre of Kuna Yala, Aligandí
- Gnobe-Guaymí Cultural Centre, Quebrada del Loro

374. Title III, Chapter 4, of the Constitution (Individual and social rights and duties) states:

"National Culture

"Article 76: The State recognizes the right of every human being to participate in culture, and shall therefore foster the participation of all inhabitants of the Republic in the national culture.

"Article 77: The national culture consists of the artistic, philosophical and scientific works produced by man in Panama throughout the ages. The State shall promote, develop and safeguard this cultural heritage.

"Article 78: The State shall ensure the protection, dissemination and purity of the Spanish language.

"Article 79: The State shall formulate the national scientific policy so as to foster the development of science and technology.

"Article 80: The State recognizes the individuality and universal value of artistic work. It shall sponsor and encourage Panamanian artists by making their works known through channels of cultural communication, and at the national level shall promote the development of art in all its forms through academic institutions and information and recreation centres.

"Article 81: The historical heritage of the Nation consists of its archeological sites and objects, historical documents and monuments, and other items that are witness to the Panamanian past. The State shall decree the expropriation of such items if they are owned by private individuals. The law shall regulate matters pertaining to their custody, which shall be based on their historical importance, and shall take measures necessary to adapt such custody to the requirements of commercial, tourism, industrial and technological programmes.

"Article 82: The State shall foster the development of physical culture by means of sports, teaching and recreational institutions, which shall be recognized by law.

"Article 83: The State recognizes that folklore traditions are an essential part of the national culture, and therefore shall promote their study, preservation and dissemination, establishing their primacy over expressions or tendencies that may adulterate them.

"Article 84: The indigenous languages shall be the subject of special study, preservation and dissemination, and the State shall promote bilingual literacy programmes in the indigenous communities.

"Article 85: The mass media are instruments of cultural and scientific information, education, recreation and dissemination. When they are used for publicity or advertising, such publicity or advertising may not be contrary to the health, morals, education or cultural formation of society or to the national conscience.

"Article 86: The State recognizes and respects the ethnic identity of national indigenous communities, and shall carry out programmes to develop the material, social and spiritual values of each of their cultures. It shall establish an institution for the study and preservation of these communities and their languages, and for the promotion of the comprehensive development of indigenous groups".

375. Other legislation:

(1) Act No. 91 of 22 December 1976, regulating historical monumental sites;

(2) Act No.14 of 5 May 1982, containing measures on the care, preservation and administration of the historical heritage of the nation;

(3) Act No. 37 of 22 May 1996, declaring new historical monuments;

(4) Act No. 9 of 27 August 1997, establishing a special schedule of incentives for the restoration and development of the Casco Antiguo historical monumental site in Panama City;

(5) Act of 22 December 1976 on protection of Panamá Viejo, Portobelo and Casco Antiguo in Panama City.

376. The situation in Panama can be expressed very concretely: an effort is being made by means of a number of almost improvised programmes to inject more life into popular culture and, in a rather haphazard way, into the process of developing the cultural heritage of ethnic groups, national minorities and indigenous peoples; however, a more organized approach is being taken by the Office for Indigenous Policy, with a view to speeding up these programmes and improving their content, continuity and timing.

377. As a crucible of the races and cultures which converged on the Isthmus, Panama has succeeded in its dual historical role since its discovery in 1501: as a "transit territory" and as a nation State which emerged as a result of that transit status in a sovereign and independent territory possessing its own identity and historical memory.

378. Many cultural agreements have been signed with most of the countries of Latin America, but it is difficult for Panama to put them fully into practice because of its budgetary constraints. Some progress is being made as a result of the growing participation of the information and communication media in the promotion of cultural life, and special programmes are being formulated for this purpose.

379. Panama now has professionals working in the sphere of culture and the arts, as well as a youth symphony orchestra, many folkloric groups in almost all the governmental institutions and ministries, and traditional and modern dance groups, in which persons from different social strata take part.

380. The main constraint is the shortage of funding for the institutions, which amounts to less than one per cent of the national budget; it is thus impossible to carry out many of desired programmes.

381. To cite some examples of the activities which are going on: much community work has been done locally, through the Department for the Advancement of Culture, with the support of the Central Government, legislators, representatives of local authorities, community leaders, and culture committees:

(1) Cultural visits by local children during the school holidays to the country's historical sites;

(2) Inauguration by the President of the Republic of the Amelia Denis de Icaza children's park in Chorillo;

(3) Inauguration of a park in Calidonia; support was received from representatives of the local authorities, legislators, INAC community workers, and the police;

(4) Activities organized by folkloric groups and culture committees, with the support of local authorities, INAC officials, and the coordination office of the culture committees;

(5) Holding of folkloric events during the National Month for local schools, when prizes are awarded to the best traditional groups;

(6) Visits by the symphony orchestra to marginalized districts; and seminars on popular culture were held in December in a number of districts.